

NOVEMBER 23, 2020

**A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, NOVEMBER 23, 2020 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 P.M.**

**CITY COMMISSION PRESENT:**

Sam R. Fugate, Mayor  
Hector Hinojosa, Commissioner  
Norma N. Alvarez, Commissioner  
Ann Marie Torres, Commissioner

**CITY COMMISSION ABSENT:**

Edna Lopez, Commissioner

**CITY STAFF PRESENT:**

Mark McLaughlin, City Manager  
Mary Valenzuela, City Secretary  
Courtney Alvarez, City Attorney  
Janine Reyes, Tourism Director  
Kyle Benson, IT Manager  
Derek Williams, IT  
Bill Donnell, Public Works Director  
Ricardo Torres, Police Chief  
Deborah Balli, Finance Director  
Brenda Joyas, Downtown Manager  
Susan Ivy, Director of Parks & Recreation  
Israel Vasquez, Golf Course Manager  
Rudy Mora, Engineer  
Uchechukwu Echeozo, Director of Planning & Development Services

**STAFF PRESENT VIA CONFERENCE CALL OR VIDEOSTREAM**

Emilio Garcia, Health Director

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate opened the meeting at 5:00 p.m. with four Commission members present. Commissioner Lopez absent.

**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)**

**Special Meeting - November 16, 2020**

No discussion or action taken on the November 16<sup>th</sup> minutes, as only two Commission members that were present at the November 16<sup>th</sup> meeting are present for the November 23<sup>rd</sup> meeting. The two new Commission members would not be able to vote on the November 16<sup>th</sup> minutes as they were not an official Commissioner or present for that meeting. Minutes for November 16<sup>th</sup> will be on for approval on the December 14, 2020 agenda.

**\*\*AUDIENCE AND PRESENTER SOCIAL DISTANCING AND PUBLIC TESTIMONY AND PUBLIC HEARING INPUT AT PUBLIC MEETINGS OF THE CITY COMMISSION.**

To reduce the chance of COVID-19 transmission, public meetings will be held in a manner intended to separate, to the maximum practical extent, audience and presenters from personal contact with members of Community, City Staff, and City Commission. Public testimony and public hearing input for Public Comment and all items on the agenda at public meetings of the City Commission shall be provided in written format and presented to the City Secretary and/or designee prior to the start of each meeting of the City Commission. This testimony and/or public input shall be in accordance with the City Secretary's instructions, which shall be posted on the City Secretary's outdoor public bulletin board at City Hall and on the City website and allow for electronic submission. The written public testimony shall be provided to members of the City Commission prior to voting on measures for that meeting. Written testimony shall be limited in accordance with the City Secretary requirements and shall be placed into the record of each meeting. This written testimony shall serve as the required public testimony pursuant to Texas Government Code section 551.007 and shall constitute a public hearing for purposes of any public hearing requirement under law. The meeting may be held telephonically or via videoconference; and, if so conducted, the public may participate remotely by following the instructions of the City Secretary which would be posted on the City Secretary's outdoor public bulletin at City Hall and on the City website.

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



**1. Public Hearing to consider an alcohol variance for a Wine and Beer Retailer's Off-Premise Permit (BQ) for the establishment known as Kwik Pantry #1 at 1105 N. 14<sup>th</sup> St., Kingsville, Texas. (Planning & Economic Development Director).**

Mayor Fugate read and opened this public hearing at 5:03 P.M.

Mayor Fugate announced that this is a public hearing and if anyone would like to speak on behalf of this item may do so now with a five-minute time limit. Additional time cannot be extended by City Commission.

Mayor Fugate asked if there were any complaints received regarding this alcohol variance. Mr. McLaughlin responded no.

There being no further comments, Mayor Fugate closed this public hearing at 5:05 P.M.

**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, 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, Library Summer Programs, Grants Update. No formal action can be taken on these items at this time."*

Mr. Mark McLaughlin, City Manager commented that parking permits for the area near Texas A&M University. Citizens can stop by to submit an application to get their permits. Mr. McLaughlin further mentioned the Reverse Parade taking place on December 12<sup>th</sup> from 6:00 p.m. to 8:00 p.m. at Dick Kleberg Park. The Reverse Parade will be where floats and all other entries will be stationary at that Park and citizens will drive around the Park for viewing of all entries. Mr. McLaughlin mentioned that he has a schedule phone conference with representative from State Representative Eddie Lucio's office. The conference call is scheduled for November 24<sup>th</sup> at 10:00 a.m. and further invited the Commission to join in on the call.

Mrs. Courtney Alvarez, City Attorney announced that the next Commission meeting is scheduled for December 14<sup>th</sup>. The deadline to submit agenda items for this meeting is December 3<sup>rd</sup>.

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

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

No public comments.

**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)*

None.



**REGULAR AGENDA****CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:****VI. Items for consideration by Commissioners.<sup>4</sup>**

1. **Consider a resolution appointing Hector M. Hinojosa as Mayor Pro Tempore. (City Attorney).**

Motion made by Commissioner Alvarez to approve the resolution appointing Hector M. Hinojosa as Mayor Pro Tempore, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Alvarez, Torres, Hinojosa, Fugate voting "FOR".

2. **Consider a resolution appointing a Commission Member to the City of Kingsville Investment Committee. (City Attorney).**

Motion made by Commissioner Hinojosa to appoint Commissioner Norma Alvarez to the City of Kingsville Investment Committee, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Fugate voting "FOR".

3. **Consider a resolution appointing two representatives and two alternates to the Coastal Bend Council of Governments. (City Attorney).**

Motion made by Commissioner Hinojosa to appoint Mr. Mark McLaughlin, City Manager and Commissioner Ann Marie Torres to the Coastal Bend Council of Governments and appoint Commissioner Norma Alvarez and Commissioner Edna Lopez as alternates to the Coastal Bend Council of Governments, seconded by Mayor Fugate. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Torres, Fugate voting "FOR".

4. **Consider an alcohol variance for a Wine and Beer Retailer's Off-Premise Permit (BQ) for the establishment known as Kwik Pantry #1 at 1105 N. 14<sup>th</sup> St., Kingsville, Texas. (Planning & Economic Development Director).**

Motion made by Commissioner Hinojosa to approve the alcohol variance for a Wine and Beer Retailer's Off-Premise Permit (BQ) for the establishment known as Kwik Pantry #1 at 1105 N. 14<sup>th</sup> St., Kingsville, Texas, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Torres, Hinojosa, Fugate voting "FOR".

5. **Consider a request for City participation in Kingsville Wine Walk Holiday Sip & Shop event to occur in downtown Kingsville on December 5<sup>th</sup>, 12<sup>th</sup>, and 19<sup>th</sup> from 5pm-8pm. (Downtown Manager/HPO).**

Ms. Janine Reyes, Tourism Director stated that this event will take place on December 5<sup>th</sup>, December 12<sup>th</sup>, and December 19<sup>th</sup> from 5:00 p.m. to 8:00 p.m. Individuals wishing to participate may purchase an event passport. There will be various types of wine and beer for tasting. When purchasing an event passport, an individual would need to determine which day they would like to attend. This is a way in order to limit the attendance for all three days.

Motion made by Commissioner Hinojosa to approve the request for City participation in Kingsville Wine Walk Holiday Sip & Shop event to occur in downtown Kingsville on December 5<sup>th</sup>, 12<sup>th</sup>, and 19<sup>th</sup> from 5pm-8pm, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Fugate voting "FOR".

6. **Consider a resolution declaring intention to reimburse certain expenditures (that allows for ordering of items/projects to be financed). (Finance Director).**

Mrs. Deborah Balli, Finance Director stated that in the current budget it has been budgeted \$1,281,515.00 of Capital Outlay items which include garbage trucks, Fire Command vehicle, backhoe and four police vehicles. This year the plan was to go for a tax anticipation note instead of going out for capital lease. She further stated that the plan is to get into the market around the first part of February and once we get into the market, the city can reimburse itself.

Motion made by Commissioner Torres to approve the resolution declaring intention to reimburse certain expenditures (that allows for ordering of items/projects to be financed), seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Torres, Fugate voting "FOR".

7. **Consider a resolution authorizing the City Manager to execute a Professional Services Agreement with Azavar Audit Solutions, Inc. (for sales tax and other revenue audit services). (Finance Director).**

Mrs. Balli commented that as the service contract with Municipal Services has expired, Azavar Audit Solutions, Inc. is a company that does the city's sales tax audits. The prior



company was charging the City 30% to perform this work and Azavar will charge the City 22% which is all contingency based. She further stated that they will not be paid any money unless they discover any discrepancies in the sales tax. This contract will allow them to go back four years. If there is a one time finding there would be a 22% cost on that finding. If there is something on future revenues, they would get 22% for that finding for the next thirty-nine months.

Commissioner Hinojosa asked if this service is only for the sales tax. Mrs. Balli responded for now it's just for the sales tax, but they do other types of audits such as franchise fee audits. If the City decides to do the franchise fee audit, it will be the same type of contingency as for the sales tax audit. For now, it's only the sales tax audit. Commissioner Hinojosa asked if the city was to want other audits done, will staff be bringing that to Commission for approval. Mrs. Balli responded yes. Hinojosa further asked if there would be travel expenses. Mrs. Balli responded that travel expenses would only incur if they were to come down and do an audit on Hotel Occupancy Tax Audit, if the City would to request that service.

**Motion made by Commissioner Alvarez to approve the resolution authorizing the City Manager to execute a Professional Services Agreement with Azavar Audit Solutions, Inc. (for sales tax and other revenue audit services), seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Torres, Hinojosa, Fugate voting "FOR".**

**8. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 Budget to appropriate funding for the rollover project for greens maintenance and repairs. (Parks Director).**

Mrs. Susan Ivy, Parks Director stated that in fiscal year 2019-2020, Commission approved \$100,000 to be dedicated to emergency greens repair, fairway improvements and other improvements needed at the golf course. After expenses for repairs there was \$11,584 remaining therefore we are asking that those funds be rolled over so that work can continue with the greens renovation, increase chemical plan, fairway renovations, sand trap fill-in, cleanout, seeding and t-box improvements, as well as other repairs that may come up during the course of time.

Introduction item.

**9. Executive Session: Pursuant to Section 551.087, Texas Government Code, Deliberations Regarding Economic Development Negotiations Exception, the City Commission shall convene in executive session to deliberate the offer of a financial or other incentive to a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations. (City Manager).**

Mayor Fugate read agenda item #9, Executive Session and convened the meeting into close session at 5:26 p.m. Mayor Fugate reconvened the meeting into open session at 6:02 p.m.

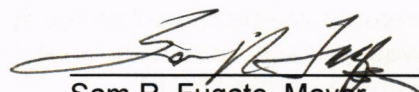
**10. Consider a resolution authorizing the Mayor to execute an Amended Economic Incentive Agreement between the City of Kingsville, Texas and D'Ville Partners, LLC (for Starbucks Developer). (City Attorney).**

Ms. Alvarez stated that this agreement would amend the agreement that the Commission previously approved. This would cover the second half of the Economic Incentive Agreement that was originally agreed on. This would change the form from a partial property tax rebate to a partial sales tax rebate and would decrease the amount of incentive from \$30,000 to \$20,000.


**Motion made by Commissioner Hinojosa to approve the resolution authorizing the Mayor to execute an Amended Economic Incentive Agreement between the City of Kingsville, Texas and D'Ville Partners, LLC (for Starbucks Developer), seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Fugate voting "FOR".**

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 6:04 P.M.

  
Sam R. Fugate, Mayor

**ATTEST:**

  
Mary Valenzuela, TRMC, CMC, City Secretary