

FEBRUARY 28, 2000

A REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD MONDAY, FEBRUARY 28, 2000 AT 6:00 P.M. IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS, 200 EAST KLEBERG AVENUE AT 6:00 P.M.

CITY COMMISSION MEMBERS PRESENT:

Charlie Wilson, City Commissioner
 Rene "Mr. V" Villarreal, City Commissioner
 Filemon "Phil" Esquivel, Jr., Mayor
 Arturo Pecos, City Commissioner
 Al Garcia, City Commissioner

CITY STAFF PRESENT:

Hector M. Hinojosa, City Manager
 Diana F. Valadez, City Secretary
 Ruben Perez, City Attorney
 Dora Byington, Director of Purchasing
 Juan M. Bosquez, Finance Director
 Corando Garza, Fire Chief
 Cesar Garcia, Personnel Director
 Ricardo Guzman, Director of Public Works
 Stanley Fees, Director of Planning
 Maria Robles, Accountant
 A.L. Noyola, Health Director
 Estella Garcia, Director of Collections
 Artemio Alvarez, Risk Manager

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING:

Mrs. Dora Byington, Director of Purchasing, led the Commission and members of the audience in an invocation. Immediately thereafter, Miss Mallory Wilson, daughter of Commissioner Charlie Wilson, led the Pledge of Allegiance.

MINUTES OF PREVIOUS MEETING(S) - REQUIRED BY LAW.

There were no minutes available for approval.

II. Public Hearing - (Required by Law).

1. None.

III. Petitions, Grievances, Remonstrances.

1. Update from staff on following questions at the request of the Mayor and Commissioners.

A. **PRESENTATION BY MRS. VANGIE CHAPA REGARDING THE 2000 CENSUS. (COMMISSIONER GARCIA).**

Mrs. Vangie Chapa, a representative of the U.S. Census Bureau made a presentation. She stated that the 2000 Census should be taken seriously because an accurate count determines the funding sources for the community.

She stated that many individuals have applied for the jobs available through the Census Bureau, although the jobs are only temporary. Mrs. Chapa stated that an individual with the Census Bureau will be making contact with each residence that does not turn in their census form. She stated that if someone was interested in a job with the Census Bureau, to call 1-888-325-7733 in the Corpus Christi Office. She stated that five different locations have been set up to provide assistance to citizens that are unable to fill out their forms. Mrs. Chapa stated that five locations were City Hall, Texas A&M University Kingsville, the Kingsville Housing Authority Office, the KISD Enrichment Center and Coastal Bend College.

Upon a question raised by Commissioner Al Garcia, Mrs. Chapa responded that even after the deadline, efforts would be made to submit information to the Census Bureau for those individuals that did not turn in their census forms.

B. PRESENTATION BY MR. HENRY JONES REGARDING CITY STREETS IN THE VICINITY OF THE DOUGLAS COMMUNITY CENTER AND 2ND STREET. (CITY MANAGER).

Mr. Hector M. Hinojosa, City Manager, stated that Mr. Jones contacted his office today and requested this item be tabled until the next meeting. Mr. Jones was unable to attend this meeting.

C. PRESENTATION BY MR. DICK MESSBARGER REGARDING EDC ACTIVITIES. (CITY MANAGER).

Mr. Dick Messbarger, Executive Director of the Economic Development Council addressed the Commission regarding certain prospects that are considering relocating to Kingsville. He said that currently the Kodiak Manufacturing Company is looking at expanding their building. Mr. Messbarger stated that the EDC will probably be making an application to the Texas Capital Fund in the near future for this project.

Mr. Messbarger also reported that the weekly payroll for Calling Solutions is about \$100,000 per week. He said that they are far exceeding their sales. Mr. Messbarger stated that since the enterprise zone was approved everything is on tract. He also reported that the EDC continues to work with the Spaceport Project. If this project is built in Sarita, it will bring an additional five thousand jobs to this area.

IV. Public Comment on Agenda Items.3

Mrs. Julie Flores, 729 South 24th Street, stated that she was requesting funds be allocated to the Kleberg County Child Welfare Board. She stated that they help the social workers with children that are picked up during domestic disputes. She said that some have no clothing, or have not even had any meals. Mrs. Flores said that they keep the raindrop room stocked with clothing, diapers and some food for these children. She said that they set up a budget of \$70,000 and have already used \$7,000 to this date. She said that the Kleberg County Child Welfare Board is requesting that the Commission award the funds for operating expenses.

There were no other comments made at this time.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS.4

1. CONSIDER WHETHER OR NOT TO REMOVE THE FOLLOWING AGENDA ITEM FROM THE TABLE. (CITY COMMISSION).

A motion was made by Commissioner Rene "Mr. V" Villarreal and seconded by Commissioner Arturo Pecos to remove agenda item 1A from the table. The motion passed by a unanimous vote.

1A. CONSIDER A REQUEST FROM TEXAS FUEL & ASPHALT COMPANY FOR CANCELLATION OF THEIR ANNUAL CONTRACT FOR ASPHALT ROAD OILS DUE TO UNFORESEEN PRICE INCREASES IN THE INDUSTRY. (DIRECTOR OF PURCHASING).

Mrs. Dora Byington, Director of Purchasing, recommended that the Commission cancel the annual contract for these products and the contract be re-bid at a later date. She stated that the General Services Commission does not use an escalation or de-escalation clause.

Upon a question raised by Mayor Filemon "Phil" Esquivel, Jr., Mrs. Byington responded that if this contract is re-bid, then the new prices will probably be much higher. Mr. Ruben Perez, City Attorney, responded to another question from Mayor Esquivel, that the vendor can be forced to provide the materials at the price he originally quoted. He said that if the vendor refuses, then a suit could be filed against the vendor.

Mr. Perez also recommended that the Commission cancel the contract and re-bid the annual contract. Mayor Esquivel stated that many other cities are using ninety day contracts rather than an annual contract.

Mayor Esquivel recommended that the annual contract not be cancelled and hold the company to the price quoted during the bidding process.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Pecos to accept staff recommendation and cancel the annual contract with Texas Fuel and Asphalt Company. The motion failed by a 2/3 vote. Mayor Esquivel and Commissioner's Wilson and Garcia cast the dissenting votes.

2. CONSIDER FINAL PASSAGE OF AN ORDINANCE AUTHORIZING AND ALLOWING UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, RESTRICTED PRIOR SERVICE CREDIT TO EMPLOYEES WHO ARE MEMBERS OF THE SYSTEM FOR SERVICE PREVIOUSLY PERFORMED FOR VARIOUS OTHER PUBLIC ENTITIES FOR WHICH THEY HAVE NOT RECEIVED CREDITED SERVICE. (DIRECTOR OF PERSONNEL).

Mr. Cesar Garcia, Director of Personnel, stated that at the request of Commissioner Wilson, an unofficial survey of all City employees was taken. The options given were for each employee to state whether anyone currently employed by the City had previously been employed by a federal, state or county agency prior to their employment with the City. It was determined that 29 employees had previous federal employment, 13 had employment with the State and 6 with a County. Mr. Garcia recommended approval of the proposed ordinance.

Upon a motion by Commissioner Villarreal and second by Commissioner Pecos, the Commission unanimously approved Ordinance #20001, authorizing and allowing under the act governing the Texas Municipal Retirement System, restricted prior service credit to employees who are members of the system for service previously performed for various other public entities for which they have not received credited service; providing for severance; and providing for an effective date.

3. CONSIDER FINAL PASSAGE OF AN ORDINANCE CLOSING AND ABANDONING ALL OF ELIZABETH AVENUE IMMEDIATELY NORTH OF LOTS 177 AND 178 IN SOUTHMORE ACRES SUBDIVISION. (DIRECTOR OF PLANNING).

Mr. Stanley Fees, Director of Planning, stated that as requested by Commissioner Garcia, the deed records were checked and it was verified that no mineral rights are associated with this property.

A motion was then made by Commissioner Pecos and seconded by Commissioner Villarreal to approve Ordinance #20002, closing and abandoning all of Elizabeth Avenue immediately north of Lots 177 and 178 in Southmore Acres Subdivision. The motion passed by a unanimous vote.

Upon a question raised by Commissioner Garcia, Mr. Perez responded that it would cost the City more money to have the property appraised than what the property is actually valued. Contact has been made with the owners, and they are willing to pay the necessary fees to have the property platted.

4. CONSIDER FINAL PASSAGE OF AN ORDINANCE ORDERING THE CITY GENERAL ELECTION FOR MAY 06, 2000, DESIGNATING VOTING PRECINCTS AND POLLING PLACES, ESTABLISHING ELECTION PROCEDURES, AND APPOINTING EARLY VOTING CLERK. (CITY SECRETARY).

Mr. Hinojosa recommended approval of the proposed ordinance. He announced the location of all the polling places.

Upon a motion by Commissioner Villarreal and second by Commissioner Garcia, the Commission unanimously approved Ordinance #20003, ordering the City General Election for May 06, 2000.

5. CONSIDER FINAL PASSAGE OF AN ORDINANCE GRANTING A PERMIT AND CONSENT TO MAINTAIN, USE AND OPERATE CERTAIN NATURAL GAS AND/OR NATURAL GAS LIQUIDS TRANSMISSION PIPELINES ALONG, ACROSS, AND UNDER PUBLIC PROPERTY AND RIGHTS OF WAY IN THE CITY OF KINGSVILLE. (CITY ATTORNEY).

Mr. Perez stated that the proposed ordinance will authorize PG&E Gas Transmission to pay the City of Kingsville for the use of our rights of way. He recommended approval of the proposed ordinance.

Upon a question raised by Commissioner Pecos, Mr. Perez responded that this action is part of a class action lawsuit settlement agreement.

Upon a motion by Commissioner Villarreal and second by Commissioner Pecos, the Commission unanimously approved Ordinance #20004, granting a permit and consent to maintain, use and operate certain natural gas and/or natural gas liquids transmission pipelines along, across, and under public property and rights of way in the City of Kingsville.

6. CONSIDER AWARDING BID FOR BULLDOZER. (BID #20-40). (DIRECTOR OF PURCHASING).

Mrs. Byington stated this item authorizes the purchase of a bulldozer for the landfill. She stated that the bid from Holt Company offers the best value bid to the City. The bulldozer is specifically designed for landfill use. Mrs. Byington stated this action will expend \$223,664.00 and the purchase will be made contingent upon the City being able to acquire the necessary funding. She recommended the bid be awarded to Holt Company from Corpus Christi, Texas.

Mr. Ricardo Guzman, Director of Public Works informed the Commission that equipment reliability is very important for the landfill operations. He stated that landfill operations can not stop and having good equipment is necessary.

Upon a question raised by Commissioner Garcia, Mr. Guzman responded that the estimated life of the dozer is approximately ten years. However, with proper maintenance the machine will last longer.

A motion was then made by Commissioner Pecos and seconded by Commissioner Garcia to award the bid for the bulldozer as recommended by Staff. The motion passed by a unanimous vote.

7. CONSIDER AWARDING CONTRACT FOR THE REMODELING OF THE FIRE ACADEMY BUILDING LOCATED AT 6TH AND LEE STREET. (DIRECTOR OF PURCHASING).

Mrs. Byington stated this item authorizes the execution of a contract for the remodeling of the Fire Academy building. This action will expend \$20,864.14 and funds are included in the annual budget. Mrs. Byington recommended the bid be awarded to Nuway International, Inc. from Corpus Christi, Texas in the amount of \$18,583.14 and also to The Key Shop from Kingsville, Texas in the amount of \$2,281.00.

A motion was made by Commissioner Villarreal and seconded by Commissioner Pecos to award the contract for the remodeling of the Fire Academy Building as recommended by staff. The motion passed by a unanimous vote.

8. CONSIDER RESOLUTION DECLARING INTENTION TO REIMBURSE CERTAIN EXPENDITURES WITH BORROWING PROCEEDS AND AUTHORIZING CONSULTANTS TO PROCEED WITH BORROWING. (CITY MANAGER).

Mr. Hinojosa stated that during the budget process, it was discussed that certain equipment would have to be financed. He said that funding in the amount of three million dollars is also necessary for the landfill expansion. Mr. Hinojosa stated that the City could pay this debt in either three, five or seven years. He said it was up to the Commission to decide how long to extend the debt payments.

Mr. Donald Gonzales, Financial Advisor for Southwest Securities, informed the Commission about the City's current debt service and the options available to structure the proposed debt. Mr. Gonzales stated that it is very important to look at the debt structure and the current outstanding debt of the City. He requested authorization from the City Commission to declare the intentions to reimburse certain expenditures with borrowing proceeds and authorizing consultants to proceed with borrowing.

A motion was made by Commissioner Pecos and seconded by Commissioner Garcia to approve Resolution #20005. The motion passed by a unanimous vote.

9. CONSIDER AWARDING CONTRACT FOR MANAGEMENT CONSULTANT FOR 1999 TEXAS CAPITAL FUND GRANT. (CITY MANAGER).

Mr. Hinojosa stated that several companies were sent a request for proposal for management services in relation to the City of Kingsville grant application from the Texas Department of Economic Development for the acquisition of a building to benefit Calling Solutions, Inc. He said that from the five proposals sent out, only Ms. Kim Lacey, Director of Municipal Development Services submitted a proposal for \$40,000. No other proposals were submitted. Mr. Hinojosa recommended the contract be awarded to Ms. Lacey from Municipal Development Services.

A motion was made by Commissioner Villarreal and seconded by Commissioner Garcia to award the contract as recommended by the City Manager. The motion passed by a 4/0/1 vote. Commissioner Wilson abstained from voting.

10. CONSIDER FINAL PLAT APPROVAL OF SOUTHWAY BLOCK 2 SUBDIVISION. (DIRECTOR OF PLANNING).

Mr. Fees stated that the owner proposes to subdivide a four acre tract of land. The subdivision fronts on General Cavazos Boulevard and the subdivider proposes to extend the water and wastewater lines along the north side of General Cavazos to provide service to the subdivision. A new waterline will be added along the west side to provide two additional fire hydrants. Mr. Fees recommended approval of the final plat.

Mayor Esquivel expressed a concern with another mini storage building in this area. He said this facility will make it the third mini storage facility in that immediate area. Mayor Esquivel requested that a master plan be developed for General Cavazos Boulevard.

Upon a question raised by Commissioner Wilson, Mr. Fees responded that sidewalks are not being included in the plans at this time.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Pecos to approve the final plat of Southway Block 2 Subdivision. The motion passed by a unanimous vote.

The Commission took a short recess at this time, 8:25 p.m.

The Commission reconvened at 8:35 p.m.

11. CONSIDERATION AND DELIBERATION OF GRANT REQUEST FROM KINGSVILLE BOYS AND GIRLS CLUB, HALO FLIGHT, SOUTH TEXAS YOUTH DEVELOPMENT COUNCIL, KINGSVILLE CHAMBER OF COMMERCE, KLEBERG COUNTY CHILD WELFARE BOARD, PALMER DRUG ABUSE PROGRAM AND THE MIDNIGHT BASKETBALL, WITH POSSIBLE ACTIONS FOR AWARDS NOT EXCEEDING \$60,000. (CITY MANAGER).

Commissioner Garcia excused himself from this agenda item. He stated that he would not participate in the discussion regarding this item because he serves as a board member on several of the non-profit organizations being considered for funding.

Mayor Esquivel thanked everyone for being present that was representing a non profit group.

Mr. Hinojosa recommended that a total of \$30,000 be allocated to the organizations to provide recreational and social services in the City during FY 1999-2000. He made the following recommendations:

Boys & Girls Club - \$5,000
 Halo Flight - \$5,000
 Chamber of Commerce - \$3,500
 Child Welfare Board - \$10,000
 Palmer Drug Abuse Program - \$2,500
 South Texas Youth Development Council - \$4,000

The following individuals made a presentation to the Commission regarding their particular organization. Each individual explained to the Commission the programs their organization offers and what they plan to use to funds for.

Mr. Rudy Cantu, Boys & Girls Club of Kingsville
 Ms. Joann Salgie, Halo Flight
 Mr. Joe Cisneros, Kingsville Chamber of Commerce
 Mrs. Julie Flores, Kleberg County Child Welfare Board
 Mr. Gary Leach, Palmer Drug Abuse Council
 Mr. Ray Torres and Ms. Ino Alvarez, South Texas Youth Development Council

There were several motions made that would provide funding to these organizations.

A motion was made by Commissioner Wilson to allocate \$10,000 to the Boys & Girls Club, \$5,000 to Halo Flight, \$10,000 to the Chamber of Commerce, \$10,000 to the Child Welfare Board, \$3,000 to Palmer Drug Abuse, and \$10,000 to the South Texas Youth Development Council. The motion failed due to a lack of a second.

A motion was made by Commissioner Pecos to allocate \$12,000 to the Boys & Girls Club, \$5,000 to Halo Flight, \$6,000 to the Chamber of Commerce, \$10,000 to the Child Welfare Board, \$2,500 to Palmer Drug Abuse, \$14,368 to South Texas Youth Development Council, and \$10,000 to the Kingsville Midnight Basketball. This motion failed due to a lack of a second.

Another motion was made by Commissioner Villarreal to allocate \$10,000 to the Boys & Girls Club, \$5,000 to Halo Flight, \$8,000 to the Chamber of Commerce, \$10,000 to Child Welfare Board, \$3,000 to Palmer Drug Abuse, \$14,368 to South Texas Youth Development Council, and no funds to the Kingsville Midnight Basketball. This motion failed due to a lack of second.

Another motion was made by Commissioner Villarreal to allocate \$12,000 to the Boys & Girls Club, \$5,000 to Halo Flight, \$10,000 to the Chamber of Commerce, \$12,000 to the Child Welfare Board, \$3,000 to Palmer Drug Abuse, \$14,368 to South Texas Youth Development Council, and no funds to the Kingsville Midnight Basketball. This motion also failed due to a lack of second.

Between each motion the Commission discussed the amount that should be allocated to each organization.

A final motion was then made by Mayor Esquivel and seconded by Commissioner Pecos to allocate \$12,000 to the Boys & Girls Club, \$5,000 to Halo Flight, \$10,000 to the Chamber of Commerce, \$10,000 to the Child Welfare Board, \$3,000 to Palmer Drug Abuse, \$14,368 to the South Texas Youth Development Council, and no funds to the Kingsville Midnight Basketball. This motion passed by a 4/0/1 vote. Commissioner Garcia abstained from voting.

12. CONSIDER AUTHORIZING THE CITY MANAGER TO APPROVE THE FINAL PHASE OF THE STREET LIGHT CONVERSION PROJECT IN THE AMOUNT OF \$11,098.00 WITH CENTRAL POWER AND LIGHT COMPANY. (CITY MANAGER).

Mr. Hinojosa requested authorization to complete the final phase of the street light conversion project. The total cost of this phase of the project is \$11,098.00. Mr. Hinojosa stated that only \$10,000 was budgeted for in this year's budget, and was requesting the additional expenditure of \$1,098.00.

Upon a motion by Commissioner Wilson and second by Commissioner Pecos, the Commission voted unanimously to authorize the City Manager to approve the final phase of the street light conversion project in the amount of \$11,098.00 with Central Power and Light Company.

13. CONSIDER AUTHORIZING THE CITY MANAGER TO REALLOCATE \$27,000 FROM THE CERTIFICATES OF OBLIGATION SERIES 1998 FOR THE PURCHASE OF GALVANIZED STEEL TANKS. (CITY MANAGER).

Mr. Hinojosa requested authorization to use \$27,000 from the \$250,000 that was budgeted for the water well. A total of \$67,000 was used for the scada water & sewer system, which leaves a balance of \$183,000 on the water well. These monies will come from the \$3,000,000 Certificates of Obligation, Series 1998.

A motion was made by Commissioner Garcia and seconded by Commissioner Villarreal to authorize the City Manager to reallocate \$27,000 from the Certificates of Obligation Series 1998 for the purchase of galvanized steel tanks. The motion passed by a unanimous vote.

14. CONSIDER APPOINTMENTS TO PLANNING AND ZONING COMMISSION. (DIRECTOR OF PLANNING).

Mr. Hinojosa requested that agenda item number fourteen and fifteen be tabled at this time.

Upon a motion by Commissioner Villarreal and second by Commissioner Pecos, the Commission voted unanimously to table agenda item number fourteen and fifteen at this time.

15. CONSIDER APPOINTMENTS TO ZONING BOARD OF ADJUSTMENT. (DIRECTOR OF PLANNING).

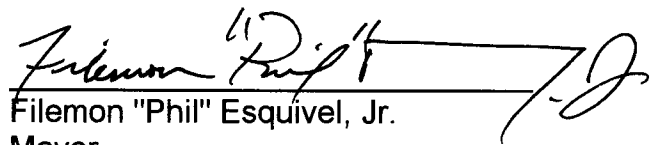
This item was tabled with the action taken on agenda item number fourteen.

16. CITY MANAGER'S REPORT. (CITY MANAGER).

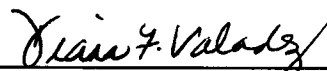
No report was given at this time.

VI. Adjournment.

The meeting then adjourned at 10:00 p.m.


Filemon "Phil" Esquivel, Jr.
Mayor

ATTEST:



Diana F. Valadez, City Secretary