

AUGUST 28, 2000

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

CITY COMMISSION MEMBERS PRESENT:

Stanley Laskowski, 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
 Victor Salas, Finance Director
 Maria Robles, Accountant
 Corando Garza, Assistant City Manager / Fire Chief
 Dianne Leubert, Sanitation Superintendent
 Ricardo Guzman, Street Superintendent
 Dora Byington, Director of Purchasing
 Sammy Maldonado, Director of Utilities
 Jack Oliver, Kingsville Police Department
 Robert Alvarez, Kingsville Police Department
 Eliseo Cuellar, Acting Chief of Police
 Stanley Fees, Director of Planning

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING:

Mrs. Dora Byington, Director of Purchasing, led the Commission and members of the audience in an invocation. Immediately thereafter, Sgt. Eliseo Cuellar, Acting Chief of Police, led the Pledge of Allegiance.

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

The Commission was presented with the minutes of the Special Meetings held Monday, July 31, 2000, Tuesday, August 01, 2000, and Wednesday, August 02, 2000, and the Regular Meetings held on Monday, June 26, 2000, July 10, 2000, and July 24, 2000.

There being no corrections, a motion was made by Commissioner Rene "Mr. V" Villarreal and seconded by Commissioner Stanley Laskowski to accept the minutes as presented. The motion passed by a unanimous vote.

II. PUBLIC HEARING - (REQUIRED BY LAW).

1. A PUBLIC HEARING ON THE FISCAL YEAR 2000-2001 RECOMMENDED CITY BUDGET. (DIRECTOR OF FINANCE).

Mayor Filemon "Phil" Esquivel, Jr. opened the public hearing at 6:05 p.m. He stated that the City Commission has reviewed very carefully all the budgets that each department submitted.

Mr. Hector M. Hinojosa, City Manager reported that the Fire Chief has reviewed his budget, and he has proposed to reduce the Fire Department overtime by \$25,000. Mr. Hinojosa stated that he would like to reallocate that \$25,000 to the Street Department where it is needed for street improvements.

During the public hearing several topics were discussed including the overtime and the retention of clerk dispatchers in the Police Department, health insurance rates, water revenues, street improvements, landfill fees for outside city limit customers, the water meter replacement project, and the collective bargaining agreements. Other items discussed included the fund balances in the CAP 98 and 2000 Tax Note accounts, the costs associated with improving the water tanks and the wastewater treatment plants.

Mayor Esquivel asked if there was anyone in the audience that wanted to address the Commission regarding the proposed budget and tax rate.

Mr. Ricardo Vega, 805 West Kleberg Avenue addressed the Commission. He requested that the Commission maintain the budget without raising property taxes. Mr. Vega also suggested that the citizens be educated regarding sanitation services available to the citizens.

Mrs. Mary Marroquin, 1209 Palm Avenue, addressed the Commission regarding the City Journal newsletter that is mailed to the citizens of Kingsville. She stated that the newsletter is a good source of information and would like to feature the Kingsville Convention and Visitor's Bureau in the next edition.

After a lengthy public hearing, Mayor Esquivel declared the public hearing closed at 7:46 p.m.

The Commission then took a recess at this time.

The Commission reconvened at 7:55 p.m.

III. PETITIONS, GRIEVANCES, AND PRESENTATIONS.

1. UPDATE FROM STAFF ON FOLLOWING QUESTIONS AT THE REQUEST OF THE MAYOR AND COMMISSIONERS.

A. UPDATE REGARDING STREET RECONSTRUCTION PROJECT. (STREET SUPERINTENDENT).

Mr. Ricardo Guzman, Street Superintendent, presented a plan outlining the updated street reconstruction plan. There was a discussion regarding the costs associated with making the necessary improvements on all the streets specified on the plan.

B. UPDATE REGARDING CAPITAL IMPROVEMENT PROGRAMS FOR 1998 AND 2000. (MAYOR ESQUIVEL).

Mr. Victor Salas, Finance Director, addressed the Commission regarding the fund balances in the Certificate of Obligation Series 1998 and the Tax Note Series 2000. He discussed the different types of equipment that have been purchased.

C. UPDATE REGARDING CONTRACT TERM FOR UNITED HEALTHCARE OF TEXAS, INC. (MAYOR ESQUIVEL).

Mayor Esquivel stated that he has been provided some figures that he feels will help staff in making the best possible recommendation in awarding the contract for health insurance. He stated that he would forward the information to the City Manager.

IV. PUBLIC COMMENT ON AGENDA ITEMS.

Mrs. Mary Ann Oldham, member of the Kingsville Convention & Visitor's Bureau addressed the Commission regarding agenda item number four. She stated that the proposed budget includes expenses for three employees and recommended that the Commission approve the budget as submitted.

Mrs. Mary Marroquin, 1209 Palm Avenue, stated that she was present in the audience and would respond to any questions from the Commission.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS.

1. CONSIDER FINAL PLAT APPROVAL OF CUMBERLAND SUBDIVISION, A FIVE ACRE TRACT OF LAND OUT OF FARM LOT 2, SECTION 2, KING ADDITION. (DIRECTOR OF PLANNING).

Mr. Stanley Fees, Director of Planning, stated that Ms. Catherine Cumberland, owner of the 5.00-acre tract of land proposes to subdivide the property. The property is located outside the City limits and within the two-mile extra territorial jurisdiction (ETJ). Mr. Fees stated that no drainage improvements are proposed for this property, and a portion of the property is located within the 100-year floodplain. He said that the base flood elevation has been noted on the plat, and any developments within this area would require an elevation certificate from a registered professional land surveyor. Mr. Fees recommended that the plat be approved.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Laskowski to approve the final plat of Cumberland Subdivision as recommended by staff. The motion passed by a unanimous vote.

2. INTRODUCTION OF ORDINANCES SETTING FEES FOR INSPECTIONS AND RE-INSPECTIONS; LICENSES FOR CONTRACTORS, ELECTRICIANS, AND HOUSE MOVERS; NEW CONSTRUCTION FEES; FEES FOR REMODELING, REPAIR AND ALTERATIONS TO BUILDINGS; PLAN REVIEW FEES; CERTIFICATE OF OCCUPANCY; FOOD SERVICE ESTABLISHMENTS AND SERVICES; AND MISCELLANEOUS FEES INCLUDING JUNK YARDS, TAXICABS, FORTUNE TELLERS, AND TIRE STORAGE BUSINESSES. (CITY ATTORNEY).

Mr. Ruben Perez, City Attorney informed the Commission on the proposed fee changes. He stated that some of the fees have not been increased since 1962. Mr. Perez stated that the final draft of the ordinances would be submitted to the Commission at the next meeting.

3. CONSIDER AUTHORIZING EXECUTION OF A CONTRACT FOR AN ADDITION TO FIRE STATION #2 LOCATED AT 515 NORTH ARMSTRONG. (DIRECTOR OF PURCHASING).

Mrs. Dora Byington, Director of Purchasing, stated this item authorizes the execution of a contract for an addition to the Fire Station #2 building located at 515 North Armstrong Street. Mrs. Byington recommended the bid be awarded to NuWay International, Inc. from Corpus Christi, Texas in the amount of \$38,203.09.

A motion was made by Commissioner Laskowski and seconded by Commissioner Villarreal to award the contract for the addition to Fire Station #2 as recommended by staff.

Mayor Esquivel expressed some concern with the bids submitted by local contractors. There was a discussion regarding Article 271.905 of the Local Government Code pertaining to the local economic development opportunities and how that could possibly have an effect on this contract being awarded.

Commissioner Villarreal called for a question on this agenda item.

The Commission proceeded to vote on the motion. The motion passed by a 4/1 vote. Mayor Esquivel cast the dissenting vote.

4. CONSIDER APPROVAL OF KINGSVILLE CONVENTION & VISITORS BUREAU, INC. ANNUAL BUDGET FOR FISCAL YEAR 2000-2001. (CITY MANAGER).

Mr. Hinojosa stated that the Board of Directors of the Kingsville Convention and Visitor's Bureau submitted the proposed budget. He stated that the budget is acceptable as presented.

Commissioner Al Garcia stated that the proposed budget includes a 3% salary increase for the employees. He felt that salary increases should not be approved since City employees are not receiving any salary adjustments this budget year.

Commissioner Arturo Pecos stated that the Bureau is a contractual entity, and is very similar to the Police and Fire Department unions. Commissioner Pecos stated that employees under collective bargaining agreements are scheduled to receive salary increases this budget year.

Upon a question raised by Commissioner Laskowski, Mrs. Mary Marroquin stated that the proposed budget is only a draft and a final version of the budget will be presented to the Commission at a future meeting.

There was a discussion regarding the goals and priorities of the Bureau. Mrs. Marroquin informed the Commission that when the Board finalizes their goals, they would be presented to the City Commission.

Mayor Esquivel requested this item be tabled at this time to allow the Board of Director's additional time to approve the proposed budget.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Pecos to table this agenda item. The motion passed by a unanimous vote.

5. INTRODUCTION OF AN ORDINANCE ADOPTING A NEW ARTICLE 14, VENDOR SOLICITATIONS TO CHAPTER XI, BUSINESS REGULATIONS OF THE CODE OF ORDINANCES FOR THE CITY OF KINGSVILLE, PROVIDING FOR APPROPRIATE PENALTIES, FINES, AND FEES REGARDING THE REGULATION THEREOF AND ESTABLISHING ITINERANT VENDORS LICENSES. (CITY MANAGER).

Mr. Perez stated that the proposed ordinance replaces an ordinance that was left out during the re-codification of the new code of ordinances. He said that it covers sidewalk vendors and solicitations. Mr. Perez stated that fees would be generated with the proposed ordinance.

Mayor Esquivel stated this item is only an introductory item and final passage will be considered at a later date.

6. INTRODUCTION OF AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF KINGSVILLE, TEXAS AND APPROPRIATING FUNDS FOR THE FISCAL YEAR BEGINNING OCTOBER 01, 2000 AND ENDING SEPTEMBER 30, 2001. (CITY MANAGER).

Mr. Hinojosa stated that the proposed ordinance adopts the annual budget for fiscal year 2000-2001 in the sum of \$16,388,602. He stated that the Police and Fire Department overtime allotment is the same as previously submitted. Mr. Hinojosa stated that there are two options. The first is to adopt a tax rate of sixty-eight cents, leaving a \$16,479 negative balance, and not adjusting the overtime in police and fire department. The other option is to increase the tax rate two cents and leave the expenditures the way they have been presented, leaving a fund balance of \$71,000.

Mayor Esquivel stated that there are certain revenues such as the money from the 1998 Water Development Loan that could possibly eliminate a tax increase. He requested that in the future staff brief the Commission on the financial status of the City on a monthly basis.

Commissioner Laskowski stated that he would prefer that the City not use any money that was borrowed from the State to be used towards balancing the budget. He said that he does not want the City to get into a situation where TNRCC will evaluate the City and then assess some fines for violations.

Upon a question raised by Commissioner Garcia, Mr. Hinojosa responded that the City currently has approximately 1.1 million in reserves, however, only about \$400,000 is in cash and the remaining are assets.

Mr. Hinojosa stated that he would continue to review the budget for each department for possible cut backs.

Mayor Esquivel stated this was an introductory item only and final passage would be considered at a later date.

7. MOTION APPROVING MEETING DATES FOR THE CONSIDERATION OF A PROPOSED TAX RATE FOR PURPOSES OF SETTING PUBLIC HEARINGS, AND RECEIVING PUBLIC COMMENT. (DIRECTOR OF FINANCE).

Mr. Salas stated that the City received information that the certified appraisal roll received on July 29th reported an incorrect net taxable value. The Kleberg County Appraisal Review Board met in an emergency meeting to correct the net taxable figure. The changes will result in a change of the effective tax rate. Mr. Salas stated this would require that the notices that were previously published in the newspaper be published again as well as having to call another meeting to consider a tax increase. He stated this action requires that a special meeting be scheduled for August 31st.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Laskowski to accept the proposed calendar date changes, and schedule the special meeting on August 31st. The motion passed by a unanimous vote.

8. CONSIDER APPOINTMENT TO PLANNING AND ZONING COMMISSION. (DIRECTOR OF PLANNING).

Mr. Hinojosa stated that Ms. Candace Jefferson resigned from the Planning and Zoning Commission and her position needs to be filled. He stated that Mr. Bill Aldridge and Mr. John Howe have both expressed an interest in serving on the Planning and Zoning Commission and filling this vacancy for the current term through May 31, 2002.

A motion was then made by Commissioner Garcia and seconded by Commissioner Pecos to appoint Mr. Bill Aldridge to the Planning and Zoning Commission. The motion passed by a unanimous vote.

9. CONSIDER REAPPOINTMENT TO LIBRARY BOARD. (LIBRARY DIRECTOR).

Mr. Hinojosa stated that Mrs. Betty Eshom has agreed to remain on the Library Board. Her current term expired on February 28, 2000. Mr. Hinojosa recommended that Mrs. Eshom be re-appointed to the Library Board.

Upon a motion by Commissioner Villarreal and second by Commissioner Laskowski, the Commission voted unanimously to reappoint Mrs. Eshom to the Library Board.

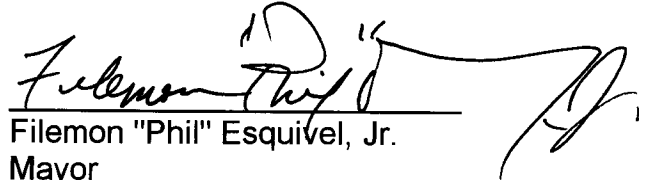
10. CITY MANAGER'S REPORT. (CITY MANAGER).

In his report, Mr. Hinojosa reminded the Commission about the Texas Municipal League Region 11 Quarterly Meeting in Rockport on August 31st.

Mr. Hinojosa informed the Commission that the South Texas Narcotics Task Force recently received their performance ratings and were ranked as the #1 Task Force in the State of Texas.

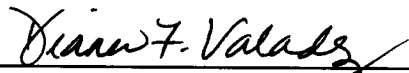
VI. ADJOURNMENT.

The meeting then adjourned at 9:27 p.m.



Filemon "Phil" Esquivel, Jr.
Mayor

ATTEST:



Diana F. Valadez, City Secretary