

OCTOBER 08, 2001

A REGULAR MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD ON MONDAY, OCTOBER 08, 2001 AT 6:00 P.M. IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS AT CITY HALL, 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
 Corando Garza, Assistant City Manager / Fire Chief
 Victor Salas, Director of Finance
 Dora Byington, Director of Purchasing
 Sammy Maldonado, Utilities Superintendent
 Dianne Leubert, Solid Waste Superintendent
 Stanley Fees, Director of Engineering
 Artemio Alvarez, Risk Manager
 Yolanda Moran, Director of Development Services
 Coetta Montgomery, Director of Personnel

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING:

Mrs. Dora Byington, Director of Purchasing, led the Commission and members of the audience in an invocation. Immediately thereafter, Mr. Bruce Cheeseman, a member of the audience, 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, AND PRESENTATIONS.

1. PRESENTATION OF PROPOSAL FOR ESTABLISHING MISSION AND VISION STATEMENT FOR THE CITY OF KINGSVILLE. (CAMBER CORPORATION).

Mayor Filemon "Phil" Esquivel, Jr., stated that Camber Corporation assisted City Staff in a goal setting workshop on Saturday, September 22, 2001.

Mr. Doug Hord representing Camber Corporation briefed the Commission on the results of the workshop. He said that the five primary areas that were developed and need immediate attention by those present were personnel, funding, infrastructure, and quality of life and impact fees. Mr. Hord stated that Camber Corporation could assist the City of Kingsville with the development of a master plan.

IV. PUBLIC COMMENT ON AGENDA ITEMS.

Mr. Noe Hinojosa with the financial advisor firm of Estrada and Hinojosa stated that he could not be present during the meeting of September 24th when presentations were made regarding financial advisor services. He urged the Commission to consider the proposal submitted by his firm for financial services.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS.

1. DISCUSSION REGARDING WATER REQUIREMENTS OF THE CITY AND RECEIVING SUPPLEMENTAL WATER FROM THE SOUTH TEXAS WATER AUTHORITY. (COMMISSIONER LASKOWSKI).

Mayor Esquivel stated that both Commissioner Stanley Laskowski and Arturo Pecos were on the City's team regarding negotiations with the South Texas Water Authority. He stated that Commissioner Laskowski has spent numerous hours researching all aspects of the contract to benefit the citizens of Kingsville. He commended Commissioner Laskowski for all of his hard work.

Commissioner Laskowski stated that both teams have already met. He requested that the Commissioners contact him if they would like to add any specific language or requirements to the proposed contracts. Commissioner Laskowski stated that it is his preference that the City not purchase any water from STWA until a new contract is approved.

Mr. Ruben Perez, City Attorney, stated that under the current agreement with South Texas Water Authority, it requires a joint meeting with the Board of Directors. He stated that the following agenda item covers this requirement.

Upon a question raised by Commissioner Al Garcia, Mr. Sammy Maldonado, Utilities Superintendent responded that the two water wells that are currently not in operation will be back in operation in about two weeks.

Commissioner Laskowski also stated that if the City does not purchase any water from STWA, the most the City would be required to pay would be \$98,000 a month until the contract is renegotiated. He stated that all other cities that purchase water from STWA are waiting to see what action the City of Kingsville is going to take. He stated that the ninety day clause in the contract requires both boards to meet in a joint session.

It was the consensus of the Commission to consider agenda item 1.1 and 1.2 at the same time.

1.1 AUTHORIZE THE CITY MANAGER TO REQUEST A JOINT MEETING WITH THE SOUTH TEXAS WATER AUTHORITY REGARDING THE MODIFICATION AND AMENDMENT OF THAT CERTAIN WATER SUPPLY CONTRACT DATED AUGUST 10, 1985 (RICARDO SUPPLY AGREEMENT).

1.2 AUTHORIZE THE CITY MANAGER TO REQUEST A JOINT MEETING WITH THE SOUTH TEXAS WATER AUTHORITY REGARDING THE CONSIDERATION OF CERTAIN MODIFICATIONS TO THAT CERTAIN WATER SUPPLY CONTRACT DATED EFFECTIVE DECEMBER 1, 1981 (STWA CONTRACT).

A motion was made by Commissioner Laskowski and seconded by Commissioner Pecos to authorize the City Manager to request a joint meeting with the South Texas Water Authority regarding the modification and amendment of that certain water supply contract dated August 10, 1985 and the contract dated effective December 01, 1981. The motion passed by a 4/0/1 vote. Mayor Esquivel abstained from voting.

2. CONSIDER OUT-OF-STATE TRAVEL FOR CITY-COUNTY HEALTH DIRECTOR TO TRAVEL TO LAKE CHARLES, LOUISIANA TO ATTEND THE TEXAS MOSQUITO CONTROL ASSOCIATION REGIONAL CONFERENCE, OCTOBER 29-31, 2001. (DIRECTOR OF CITY-COUNTY HEALTH).

Mayor Esquivel stated that the Health Director is requesting authorization to attend a conference in Louisiana.

Upon a motion by Commissioner Rene "Mr. V" Villarreal and second by Commissioner Pecos, the Commission unanimously approved the out-of-state travel request for the City-County Health Director.

3. CONSIDER RESOLUTION NOMINATING CERTAIN PERSON(S) AS CANDIDATE(S) FOR ELECTION TO THE BOARD OF DIRECTORS FOR THE KLEBERG COUNTY APPRAISAL DISTRICT. (CITY MANAGER).

Mr. Hector M. Hinojosa, City Manager, stated that the proposed resolution nominates an individual for the election to the Board of Director's for the Kleberg County Appraisal District. He said that Commissioner Garcia has been the City's representative on this board for several years. Mr. Hinojosa recommended that Commissioner Garcia be nominated once again.

A motion was made by Commissioner Laskowski and seconded by Commissioner Villarreal to nominate Commissioner Al Garcia as a candidate for the election to the Board of Director's. The motion passed by a 4/0/1 vote. Commissioner Garcia abstained from voting.

4. CONSIDER RESCINDING AND AMENDING AWARD OF ANNUAL CONTRACT FOR GASOLINE AND PROVIDING FOR AWARD OF THE AMENDED PORTION OF SUCH CONTRACT TO PETROLEUM TRADERS CORPORATION. (PURCHASING DIRECTOR).

Mrs. Dora Byington, Director of Purchasing, stated this item authorizes execution of an eleven month contract for gasoline and also the termination of the previous gasoline contract awarded on September 24th. She stated that based on staff recommendation, the contract was awarded for regular unleaded gasoline to be delivered at the warehouse to Truman Arnold Company. It was later discovered that Petroleum Traders Corporation from Ft. Wayne, Indiana was the low bidder because the charge for the constant mark-up was actually a mark-down price. Mrs. Byington recommended that the contract be awarded to Petroleum Traders for regular unleaded gasoline to be delivered to the Public Works Center and also recommended that the contract with Truman Arnold Company be terminated. She stated that awarding this contract would expend approximately \$187,800 and an additional \$1,150 for the product delivery fee.

A motion was made by Commissioner Pecos and seconded by Commissioner Garcia to award an annual contract for gasoline to Petroleum Traders Corporation as recommended by staff and also rescinded the contract previously awarded to Truman Arnold Company. The motion passed by a 4/1 vote. Commissioner Laskowski cast the dissenting vote.

5. CONSIDER RESOLUTIONS AUTHORIZING THE CITY MANAGER TO ENTER INTO CERTAIN PROFESSIONAL SERVICES CONTRACTS FOR FINANCIAL ADVISOR SERVICES. (DIRECTOR OF FINANCE).

5.1 RESOLUTION ENTERING INTO A FINANCIAL ADVISORY AGREEMENT FOR PROFESSIONAL SERVICES WITH AN INDEPENDENT FINANCIAL ADVISOR.

5.2 RESOLUTION ENTERING INTO AN AGREEMENT FOR CONTINUING DISCLOSURE SERVICES FOR CERTAIN PROFESSIONAL SERVICES AS STIPULATED THEREIN.

Mr. Victor Salas, Director of Finance, explained to the Commission all of the services that would be expected of the Financial Advisor selected.

Upon a question raised by Mayor Esquivel, Mr. Hinojosa responded that staff is recommending that the contract for Financial Advisor Services be awarded to First Southwest Company for a two year term.

Commissioner Garcia expressed some concerns that staff was basing their recommendation solely on the total contract amount submitted by each company rather than on a scoring system based on experience and other credentials.

Upon a question raised by Commissioner Laskowski, Mr. Salas responded that the fee for disclosure services is an annual fee that is required.

A motion was made by Commissioner Garcia and seconded by Commissioner Laskowski to table this agenda item due to lack of information. The motion passed by a 3/2 vote. Mayor Esquivel and Commissioner Pecos cast the dissenting votes.

6. CONSIDER APPOINTMENT TO THE KINGSVILLE CONVENTION AND VISITOR'S BUREAU BOARD OF DIRECTOR'S. (TOURISM DIRECTOR).

Mr. Anse Windham, President of the Board of Director's recommended that Mr. Robert Rivera be appointed to Seat 6, Restaurants, on the Board. He stated that Mr. Rivera has agreed to serve and the Board of Director's unanimously approved his appointment as well.

Upon a motion by Commissioner Garcia and second by Commissioner Pecos, the Commission unanimously approved the appointment of Mr. Robert Rivera to the Board of Director's of the Kingsville Convention and Visitor's Bureau.

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

7.1 REPORT ON STATUS OF TRANSITION OF HEALTH INSURANCE BENEFITS TO CITY OF KINGSVILLE EMPLOYEE BENEFIT PLAN TRUST AS ADMINISTERED BY ENTRUST.

Mr. Hinojosa reported that enrollment for all employees with the new health insurance will begin tomorrow. He stated that there have been some minor problems with the transition, however they have all been worked out.

7.2 SANTA GERTRUDIS ROADWAY RECONSTRUCTION PROJECT.

Mr. Hinojosa stated that the Santa Gertrudis roadway reconstruction project in the vicinity of Texas A & M University Kingsville is scheduled to begin on October 15th.

8. EXECUTIVE SESSION: UNDER SECTION 551.071 OF THE TEXAS OPEN MEETINGS ACT, THE CITY COMMISSION SHALL CONVENE IN EXECUTIVE SESSION TO SEEK LEGAL ADVICE FROM THE CITY ATTORNEY REGARDING POTENTIAL LITIGATION REGARDING ARTHUR ROGERS VS. CITY OF KINGSVILLE. (CITY ATTORNEY).

The Commission began the Executive Session at 7:25 p.m. and concluded at 9:40 p.m. At this time the Commission reconvened into an open session to consider the following agenda item.

8.1 CONSIDER AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONFIDENTIAL SETTLEMENT AGREEMENT FOR THE RESOLUTION OF ALL MATTERS IN DISPUTE REGARDING PENDING LITIGATION OF ARTHUR ROGERS VS. CITY OF KINGSVILLE AND ALL OTHER MATTERS RELATED THERETO. (CITY ATTORNEY).

A motion was made by Commissioner Villarreal and seconded by Commissioner Laskowski to authorize the City Manager to enter into a confidential settlement agreement for the resolution of all matters in dispute regarding pending litigation of Arthur Rogers vs. City of Kingsville and all other matters related thereto, and authorize Texas Municipal League to participate in a percentage of the payment, and the agreement specifying that the Kingsville Police Department will not carry Mr. Rogers' police commission. The motion passed by a unanimous vote.

9. EXECUTIVE SESSION: UNDER SECTION 551.074 OF THE TEXAS OPEN MEETINGS ACT, THE CITY COMMISSION SHALL CONVENE IN EXECUTIVE SESSION TO DELIBERATE:

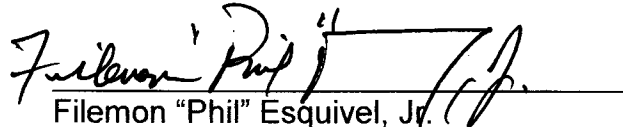
9.1 THE EMPLOYMENT, EVALUATION OR DUTIES OF EMPLOYEES UNDER THE PROPOSED COMPENSATION AND CLASSIFICATION PLAN. (CITY ATTORNEY).

9.2 THE EVALUATION OF THE FOLLOWING APPOINTED POSITIONS: CITY MANAGER, CITY ATTORNEY, AND MUNICIPAL JUDGE. (MAYOR ESQUIVEL).


The Commission went back into executive session at 9:45 p.m. to consider the above mentioned items. The session ended at 11:30 p.m.

VI. ADJOURNMENT.

The meeting adjourned at 11:31 p.m.


Filemon "Phil" Esquivel, Jr.
Mayor

ATTEST:


Diana F. Valadez, City Secretary