

JANUARY 10, 2002

A SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD THURSDAY, JANUARY 10, 2002 AT 5:00 P.M. IN THE COMMUNITY ROOM OF THE KLEBERG FIRST NATIONAL BANK BUILDING LOCATED AT 100 EAST KLEBERG AVENUE.

CITY COMMISSION MEMBERS PRESENT:

Stanley Laskowski, City Commissioner
 Rene "Mr. V" Villarreal, City Commissioner
 Filemon "Phil" Esquivel, Jr., Mayor (**arrived after meeting was in session)
 Al Garcia, City Commissioner

CITY COMMISSION MEMBER(S) ABSENT:

Arturo Pecos, City Commissioner

CITY STAFF PRESENT:

Hector M. Hinojosa, City Manager
 Diana F. Valadez, City Secretary
 Ruben Perez, City Attorney
 Courtney Alvarez, Assistant City Attorney
 Glenn Jarvis, Private Legal Counsel
 Sammy Maldonado, Utilities Superintendent
 Ramon Loera, Landfill Supervisor
 Dianne Leubert, Solid Waste Superintendent
 Joe Casillas, Water Production Supervisor
 John Garcia, Garage Superintendent
 Victor Salas, Director of Finance
 Dora Byington, Director of Purchasing

**SOUTH TEXAS WATER AUTHORITY
 BOARD MEMBERS PRESENT:**

Oscar Castillo, Board President
 Ray Finch, Vice President
 Alice J. Black, Secretary/Treasurer
 Fil Garcia
 Richard Thallman
 Abel Garza
 Fred Perez, Sr.
 Kathleen Lowman

**SOUTH TEXAS WATER AUTHORITY
 STAFF PRESENT:**

Carolla Serrato, Executive Director
 Abby Galvan
 Jo Ellen Waggoner
 Pete Tart, Bond Counsel
 Ann Burger, Financial Advisor / First Southwest
 George Janning, Financial Advisor / First Southwest
 Mike Willatt, Attorney

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING:

Mayor Pro Tem Rene "Mr. V" Villarreal called the meeting to order at 5:03 p.m.

The Commission moved to agenda item number one under the Items for Consideration by Commissioners.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS:

1. 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 ADMINISTRATION AND ENFORCEMENT OF CITY OBLIGATIONS UNDER THE SOUTH TEXAS WATER AUTHORITY SUPPLY CONTRACT. (CITY ATTORNEY).

The Commission began the Executive Session at 5:04 p.m. and ended at 5:55 p.m.

The remainder of the meeting reconvened into open session at 6:00 p.m.

INVOCATION / PLEDGE OF ALLEGIANCE

Mrs. Dora Byington, Director of Purchasing, led the Commission and members of the audience in an invocation. Immediately thereafter, Mr. Oscar Castillo, Board President of the South Texas Water Authority, led the Pledge of Allegiance.

II. PUBLIC HEARING – (REQUIRED BY LAW).

1. None.

III. PETITIONS, GRIEVANCES, AND PRESENTATIONS.

1. None.

IV. PUBLIC COMMENT ON AGENDA ITEMS.

There were no comments made at this time.

V. ITEMS FOR CONSIDERATION BY COMMISSIONERS.

2. DISCUSSION IN JOINT SESSION WITH THE SOUTH TEXAS WATER AUTHORITY BOARD OF DIRECTOR'S REGARDING MODIFICATIONS TO CURRENT WATER SUPPLY CONTRACT AND AMENDMENTS TO FUTURE WATER SUPPLY CONTRACT. (CITY COMMISSION).

Mayor Filemon "Phil" Esquivel, Jr., stated that the South Texas Water Authority (STWA) and the City of Kingsville (City) are at a negotiating phase in approving a contract. He stated that the purpose of this meeting is to educate each other on how the numbers/rates are being calculated.

Mr. Oscar Castillo, STWA Board President, stated that it was in the best interest that both parties work together.

There was a discussion regarding the STWA debt service. Mr. Glenn Jarvis, City Private Legal Counsel, stated that there were some questions if the 1983 Bond Series were paid off or if they were the 1984 bonds. He also stated that he could not identify the numbers in the rate tariff. Mr. Jarvis stated that it appeared that there were sufficient reserves to liquidate the 1983 bonds to liquidate the bonds.

Mr. Pete Tart, STWA Legal Counsel, stated that STWA had one election which created the District. He stated that the 1983 and 1984 bonds have been refunded and no new debt was issued.

There was also a discussion regarding the water rates charged by STWA. Mr. Ruben Perez, City Attorney, stated there is a disincentive for the City to purchase water and that is the reason the City does not buy STWA water. He stated there should be an incentive for the City to purchase the water.

Commissioner Stanley Laskowski stated that it is the City's intent to purchase the water from STWA at the same rate as other cities pay.

STWA Board Member Fil Garcia stated that it appeared that both legal counsels needed to meet to discuss their legal interpretations on the rate calculations. Mayor Esquivel agreed that legal counsel should meet and inform both parties of their interpretations at a later date.

Mayor Esquivel thanked the negotiating teams for all their hard work. He stated that it is important to keep STWA in operation, because it is not known what could happen to the City's water wells.

It was the consensus of everyone present that the attorney for the City and STWA meet to discuss the water rate calculations.

Representatives from the STWA excused themselves from the meeting. The City Commission took a short break at this time – 7:35 p.m.

Mayor Esquivel reconvened the meeting at 7:48 p.m.

3. CONSIDER REMOVING FROM THE TABLE THE FOLLOWING AGENDA ITEM, AWARDING BID FOR A COMPACTOR FOR THE LANDFILL.

A motion was made by Commissioner Rene "Mr. V" Villarreal and seconded by Commissioner Al Garcia to remove from the table the following agenda item. The motion passed by a 4/0 vote. Commissioner Arturo Pecos was absent from this meeting.

3.1 CONSIDER AWARDING A BID FOR A COMPACTOR FOR THE LANDFILL DEPARTMENT. (BID #22-27). (DIRECTOR OF PURCHASING).

Mrs. Dora Byington, Director of Purchasing, stated this item authorizes the purchase of one compactor for the landfill. She stated this action would expend \$440,523 and funds are available from the bond proceeds. Mrs. Byington recommended the bid be awarded to Holt, Inc. from Corpus Christi.

Upon a motion by Commissioner Villarreal and second by Commissioner Garcia, the Commission voted 4/0 to award the bid for the compactor as recommended by staff.

4. CONSIDER AUTHORIZING CHANGE ORDERS ON CONSTRUCTION SERVICES AGREEMENT BETWEEN ONYX CONTRACTORS AND THE CITY OF KINGSVILLE AS FOLLOWS:

4.1 CONSIDER AUTHORIZING ONYX CONTRACTORS TO TRANSFER SOLID WASTE FROM TYPE 1 – SECTOR 1 TO TYPE 1 – SECTOR 2 AT THE CITY LANDFILL. (CITY MANAGER).

Mr. Hector M. Hinojosa, City Manager, stated that City crews are currently overfilling at the landfill and the solid waste must be transferred to the new sector. He requested authorization from the Commission to approve a change order on the current contract to transfer the solid waste. Mr. Hinojosa stated that there is approximately 44,000 cubic yards that will be transferred at a total cost of \$145,918.50. He stated that the City would be responsible for all the surveying.

Upon a question raised by Mayor Esquivel, Mr. Hinojosa responded that he does not recommend that our City crews perform this task. He stated that Onyx Contractors have all the appropriate equipment and have performed this type of work before.

Mr. Maurizio Iaquaniello with Onyx Contractors stated that all the solid waste to be transferred will actually be picked up and hauled to the new area. He stated that the odor is real bad; however, his personnel have all the proper protective equipment to perform this task.

A motion was then made by Commissioner Villarreal and seconded by Commissioner Garcia to authorize Onyx Contractors to transfer solid waste as recommended by the City Manager. The motion passed by a 4/0 vote.

4.2 CONSIDER AUTHORIZING ONYX CONTRACTORS TO PROCEED WITH INTERMEDIATE COVER ON SECTOR 1 – TYPE 1 AT THE CITY LANDFILL. (CITY MANAGER).


Mr. Hinojosa recommended that no action be taken on this item at this time.

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

Mr. Hinojosa stated that City Solid Waste Department is planning an open house at the City Landfill at the end of the month.

VI. ADJOURNMENT.

The meeting adjourned at 8:07 p.m.


Filemon "Phil" Esquivel, Jr.
Mayor

ATTEST:

Diana F. Valadez, City Secretary