

AUGUST 14, 2003

A SPECIAL MEETING OF THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS WAS HELD THURSDAY, AUGUST 14, 2003 AT 1:30 P.M. IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS, 200 EAST KLEBERG AVENUE.

CITY COMMISSION MEMBERS PRESENT:

Filemon "Phil" Esquivel, Jr., Mayor
Horacio Hoss Castillo, City Commissioner
Arturo Pecos, City Commissioner
Charlie Wilson, City Commissioner
Al Garcia, City Commissioner

CITY STAFF PRESENT:

John Garcia, Interim City Manager
Irene Ramirez, City Secretary
Courtney Alvarez, City Attorney
Corando Garza, Asst. City Manager
Caron Vela, Interim Finance Director
Sammy Maldonado, Water Superintendent
Julian Cavazos, Interim Police Chief
Robert Alvarez, Lieutenant
Stanley Fees, City Engineer
Dora Byington, Director of Purchasing
Diana Gonzales, Human Resource Director
Jennifer Detloff, Director of Development Services
Art Alvarez, Risk Management Director
Dianne Leubert, Solid Waste Superintendent
Tina Galvan, Solid Waste Supervisor
Vilma Castillo, Collections Manager
A.L. Noyola, Health Director
Robert Rodriguez, Library Director

I. PRELIMINARY PROCEEDINGS.

OPEN MEETING

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Esquivel)

Mayor Esquivel, led the Commission and members of the audience in an invocation. Immediately thereafter, the Pledge of Allegiance.

II. PUBLIC HEARING – (Required by Law).

None

III. PUBLIC COMMENT ON AGENDA ITEMS.

Luke Lowamoore a resident of Edinburg, Texas, found out about the moratorium that was passed on the Monday evening session. It concerned him due to the fact that the company he works for has just rented a place here in Kingsville on 14th Street and about to open up a game room. The moratorium has thrown him for a loop due to the fact that his company has put forth a lot of money into the building, setting up a contract with the charitable organization, landlords, and utilities. He doesn't feel they were given a voice or warning about the moratorium.

Mayor Esquivel states he will be leaving about 2:00 p.m. for about 15-20 minutes to meet with the President of the University to set up a sister city with a city from Mexico.

IV. PETITIONS, GRIEVANCES, AND PRESENTATIONS.

1. Review and discuss department budget requests and projections pertaining to the proposed fiscal year 2003-2004 budget.

Luke Womack, Financial Consultant for the City of Kingsville states he has been asking the departments for voluntary cuts. Also, there are some other general issues that need to be discussed. There is a concern about the \$200 per month insurance deductible and whether or not this is beneficial to the employee. It is stated that in the long it ends up saving the employee about \$600 compared to the old plan. Womack states he talked to Ann Berger about the bond issue for the utilities which totals 12.5 million. The bond cost would be about 1.2 million per year. Another issue for concern is the landfill closure costs. It is going to cost about 3.2 million when the first closure has to happen. Lastly, Womack states he is coming to the commission for some direction on where to go from here.

Mayor Esquivel states their needs to be a revenue workshop to see how the city can generate more revenue. He then asks for any suggestions on how to generate more revenue.

Luke Womack makes some suggestions such as right now everybody pays a \$3.00 fee for the landfill, maybe set the rate higher from commercial customers.

Mayor Esquivel then states ways he has thought of to generate more revenue. Things to consider would be the consolidation of departments by trying to make things more efficient, cross train employees. Also, adjusting the 8-liner fees, which would include 1/3 to the general fund and 2/3 to the capital projects fund.

Commissioner Garcia states he wants to see information regarding what happened in the legislature regarding what happened to the 8-liners and the interpretation of what did and didn't happen. He wants to know what the possibility of the County attorney, District Attorney, or the Texas Rangers coming in and shutting everything down. He states he needs some reassurance from them.

Sergeant George Crocker suggests a source for revenue would be to charge residents after so many false alarms. He states some residents have numerous false alarms per month, this may be reduced if a fee was set into place.

Mayor Esquivel then states he would like to renegotiate the contract with Celanese. He then states he would like to annex Hawk's Landing. He says their five years have expired and all the other area around there has been annexed. Luke Womack discusses the jail contract and that we should utilize these facilities more, which would in turn generate more warrant revenues.

Mayor Esquivel then asks to be excused and asks Commissioner Castillo to take over the meeting.

Commissioner Wilson asks Mayor Esquivel before he leaves to act on item #3 now, due to the fact that there are a number of people in the audience who are only taking interest in this item.

Mayor Esquivel reports that no action on this item will be taken because it was passed on Monday night.

Commissioner Wilson calls for a 5 minute recess.

Commissioner Castillo reconvenes the meeting at 2.42 p.m.

(a). City Commission

Commissioner Wilson suggests that the travel be cut down.

(b). City Manager

Luke Womack states that this budget is down about \$8,000 or \$9,000 from the previous year.

John Garcia, Interim City Manager reports he doesn't expect anymore changes for the coming year.

Commissioner Garcia states that the city still has to hire a City Manager and needs to anticipate a salary increase in this department.

Caron Vela, Interim Finance Director reports that the budgeted salary is at the max.

Commissioner Garcia then asks if anybody with experience would want take the job at \$70,000. The salary portion may still need to go up.

Commissioner Wilson then states that all 3 of the City Manager candidates have agreed to work for \$70,000 or less.

Luke Womack then states that we always have the option of amending the budget.

(c). Municipal Building

Luke Womack reports this is a break even budget from last year.

Commissioner Pecos asks what the expenses for the Municipal building are?

Stanley Fees, City Engineer states that the expenses include telephone, electric, water, and other related items.

(d). City Special

Caron Vela, Interim Finance Director reports that two new items have been included in this department, which total about \$30,000. They include professional services for GASB 34 and professional services for the train depot.

Commissioner Wilson inquires about the \$10,000 in professional services for the train depot, will this money be recovered from the Kleberg County Heritage Foundation?

Jennifer Detloff, Director of Development Services states that city will pay \$26,000 per year to manage the depot and since the depot won't be open the full 12 months this coming year only budgeted \$10,000.

(e). Human Resources

No changes to this budget.

(f). Risk Management

Luke Womack states that this budget will be increased due to the \$20,000 safety incentive increase.

(g). Legal

Caron Vela, states that this budget is up due to the step increase for the hourly employee and group insurance may have not been calculated properly last year.

(h). Planning

Luke Womack states this budget is up approximately \$15,000. He also states that if the city retains the 8-liner money then this department would pick-up another person for permits and also needs to evaluate two new salaries.

(i). Recycling

Luke Womack states this budget is up about \$10,000.

Dianne Leubert, Solid Waste Superintendent states the budget is up due to machinery maintenance, building maintenance, and worker's compensation.

(j). Sanitation Collection

Luke Womack states that this budget is up about \$41,000 mostly due to salaries, most of that being overtime which totaled \$12,000.

Caron Vela reports that overtime is up due to trucks breaking down and pick-ups on holidays.

Mayor Esquivel returns to the meeting.

(k). Landfill

Luke Womack states that this budget is up about \$90,000 due to the landfill closure costs.

Mayor Esquivel inquires about the trench burning of the brush. Is the brush pile being reduced?

Dianne Leubert states that the trench burner can't be used until the fence is put up.

(l). Finance Administration

Luke Womack states that the Finance Director's salary has been put back into place due to the increase in this budget.

Commissioner Garcia inquires about car allowance and why not just reimburse for car allowance.

(m). Collections

Caron Vela states this budget is up about \$50,000.

Vilma Castillo, Collections Manager reports that the increase is due to postage and other costs associated with billing.

Commissioner Wilson states he will be leaving but will return about 4:30 p.m.

Mayor Esquivel calls for a 10 minute recess.

Mayor Esquivel calls for a motion by the commission to take care of the other actions items then reconvene back into section 4.

Motion made by Commissioner Pecos seconded by Commissioner Castillo to take care of items for consideration then reconvene back into section 4.

V. ITEMS FOR CONSIDERATION BY COMMMISSIONERS.

1. Discuss and act on a proposed tax rate; if proposed tax rate will exceed the rollback rate or 103 percent of the effective tax rate (whichever is lower), take a record vote and schedule a public meeting. (FinanceDirector).

Mayor Esquivel states he thinks no action should be take on this item since we don't know exactly what revenues and expenditures are going to be.

No action taken on this item.

2. Consider awarding bid for the Ailsie Avenue roadway project. (Bid no.23-40) (Purchasing Director).

Dora Byington, Director of Purchasing states that their where 4 bids received and the lowest bidder didn't submit the correct documents and that the city should reject the bids and rebid. She also states we don't have the money to go with the second lowest bidder.

Stanley Fees, suggests to reject the bids and rebid. He states that Hunter Industries was the lowest bidder but submitted the wrong bid bond form and if we rebid would have enough money to do the project.

Motion made by Commissioner Pecos seconded by Commissioner Garcia to reject all bids. Motion passed by unanimous vote.

3. Consider resolution establishing a moratorium on the acceptance of applications for the permitting of additional amusement redemption machines.

No action taken.

Mayor Esquivel states we will reconvene back into section IV.

(n). Municipal Court

Luke Womack states that this budget is down about \$9,000 due to group insurance and salaries.

(o). Computer Operations

Luke Womack states that computer operations is going to be brought back under finance and to bring in an individual who will work about 30 hours per week instead of having a full-time person

Mayor Esquivel states that there is no security for the computers. He suggest that money be set aside for this purpose.

Commissioner Wilson returns to the meeting.

(p). Purchasing

No change to this budget

(q). Police

John Garcia reports that the Interim Chief of Police and the Fire Chief have left the meeting due to a power outage in New York City and most of the east coast and they want to see what is going on.

Mayor Esquivel states that Police and Fire will be done at the next budget meeting.

(r). Engineering

Stanley Fees states that the reason this budget is up is due to computers and associated equipment. He states that GIS software is needed to help with GASB 34.

Mayor Esquivel states that next time computers are purchased to consider purchasing laptops to help out in the field.

(s). Service Center

Luke Womack states this budget is up about \$17,000 due to payroll and Worker's Compensation.

Mayor Esquivel then inquires about going out for bids for Worker's Compensation.

John Garcia states he as spoke with Art Alvarez, Risk Management Director, and he doesn't feel the city should go out for bids because in the long run more money would be spent.

(t). Street

Stanley Fees states that this budget is up due to street signs for the Centennial celebration and electricity.

Commissioner Garcia states he would like to discuss electricity for the street lights at the next scheduled meeting.

Mayor Esquivel states that money needs to be budgeted for banners that will be put up for the Centennial celebration.

(u). Health

A.L. Noyola, Director of Health states that the county cuts have already been applied and the county will match whatever the city approves.

Commissioner Garcia then inquires about the kennels being reworked.

A.L. Noyola, states that the kennels have been reworked and the only thing left to do is to repaint them.

(v). Library

Robert Rodriguez, Library Director states that he is satisfied with his budget.

VI. ADJOURNMENT

Motion made by Commissioner Pecos and seconded by Commissioner Garcia to adjourn the meeting. Motion passed by a unanimous vote.

Filemon "Phil" Esquivel, Mayor

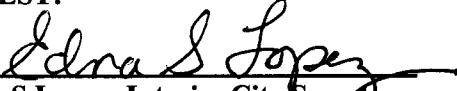
ATTEST:

Irene Ramirez, City Secretary

PRESENTED and ADOPTED by the Kingsville City Commission on this 10th day of May, 2004.

Charles E Wilson, Presiding Officer

ATTEST:


Edna S Lopez, Interim City Secretary