

AUGUST 9, 2004

A REGULAR MEETING OF THE KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 9, 2004 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS AT CITY HALL / 200 EAST KLEBERG AVENUE AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Charles E Wilson, Commissioner
Al Garcia, Commissioner
Stanley Laskowski, Commissioner
Arturo Pecos, Commissioner

CITY STAFF PRESENT:

Carlos Yerena, City Manager
Courtney Alvarez, City Attorney
Edna S. Lopez, City Secretary
Stanley Fees, City Engineer
Dora Byington, Purchasing Director
Caron Vela, Accountant
Frank Garcia, Wastewater Supervisor
Jennifer D. Cantu, Director of Development Services
Dianne Leubert, Solid Waste Superintendent
Art Alvarez, Risk Manager
Daniel Almeida, Wastewater Construction Supervisor
Diana Gonzalez, Human Resource Director
Tina Galvan, Field Supervisor
A L Noyola, Health Director
John Garcia, Garage Superintendent
Rick Torres, Chief of Police

I. Preliminary Proceedings.

The meeting was opened by Mayor Fugate at 6:00 PM.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

Ms Dora Byington led everyone in prayer, followed by the Pledge of Allegiance and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Commissioner Wilson made motion to approve the minutes as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following votes: Fugate, Garcia, Laskowski, Pecos and Wilson voting "FOR".

II. Public Hearing - (Required by Law).¹

1. Public Hearing on ordinance to abandon a 60 foot wide street right of way on West Richard Avenue between 6th Street and 5th Street in the Original Townsite Addition and the Third Addition. (City Engineer).

The Public Hearing was opened at 6:03 PM.

Mr. Stanley Fees, City Engineer advised the Commission the purpose for the public hearing. He said there were several choices, but Staff choice the railroad crossing at West Richard because of the \$150,000

reimbursement available for infrastructure improvements in the area and to eliminate a possible concern with the railroad crossing.

Mayor Fugate asked if the \$150,000 had to be used for streets. Mr. Fees said it was for transportation infrastructure. He then asked how money was to be used. Mr. Fees advised there were preliminary plans in place to put in storm sewers improvements on the intersection of Richard Street, to resurface 5th Street from Santa Gertrudis to Alice, and curb and gutter across Richard Street at 5th & 6th Street to close it off.

Mayor Fugate suggested the project be extended to Lee Street due to traffic increase.

Mayor Fugate asked about method of compensation. Mr. Fees said the money has to be spent, and then we get reimbursed.

Mayor Fugate asked time it takes to get reimbursed. Mr. Ismael Soto, from TXDOT stated it takes approximately two (2) months for reimbursement.

City Manager Yerena advised that this item was publicized in the newspaper and that notices were sent to residents in the area. He said that two (2) calls were received: (1) in favor of the closure and (1) did not care.

Mayor Fugate made announcement that if anyone present wanted to speak on this agenda item, this was the time to do it.

Mr. Roy Davis, 309 W Richard stated he was opposed to closing. He reminded the Commission that this is a historical district and is an original street in town.

Ms Natalia Alvarez, 515 N 5th, read and presented petition opposing the street closure which was signed by twenty (20) residents in neighborhood.

Ms Margie Lopez, 1511 East Sage Rd, stated she was an advocate for Ms Alvarez and people who signed petition. She asked if an environmental impact study was done, and how much of a study was done to close area. She asked that this item be tabled for further discussion.

Commissioner Laskowski asked if monies from TXDOT needed to be spent in the general area of closure. Mr. Fees answered that he did not believe there was any stipulation of that type from TXDOT, but it was staff's recommendation that it be done that way. He added this would be done to compensate residents for the inconvenience.

City Manager Yerena stated that staff had given them a list of possible closures. He added that staff was looking at Richard and Alice Ave. He also said that a decision has not been made to close any street. He said that based on the fact of additional funding from TXDOT, staff was looking at utilizing monies for improvements in the area.

Commissioner Pecos asked how it was decided that Richard versus Alice would be the proper street to close. Mr. Fees said that one of the considerations was the amount of work required to upgrade traffic signals for the railroad crossing. He added there would be a lot more money required for Richard Street crossing, which made the City eligible for money to do improvements in the neighborhood. He added that Richard Street crossing is worth \$150,000 versus Alice Street \$100,000.

City Manager Yerena stated that the traffic count also came into play.

Commissioner Laskowski asked about the daily traffic count for both streets. Ms Courtney Alvarez, City Attorney advised information was in her office.

Commissioner Garcia asked why TXDOT is considering closing either street. Mr. Soto responded they are asking the City to close, because warning devices will be installed at those locations, but by removing crossing it will be safer and that location will not have a huge cost for maintaining signal.

Mayor Fugate commented that there are six (6) crossing within 600 yards. He added that this is not too much of an inconvenience and it's potentially a safety hazard.

Commissioner Garcia asked if the State is reimbursed by the railroad. Mr. Soto responded most of the funding is on the federal side.

City Manager Yerena read information from TXDOT on the daily traffic count at both locations, stating that Richard Street's count was 452, and Alice Street's count was 526.

Commissioner Laskowski asked the amount of days. Mr. Soto responded it is typically done for three days.

Commissioner Garcia asked how involved other cities are in same situation of road closures. Mr. Soto responded that a few cities have been approached and did not have a count.

The Public Hearing was closed at 6:21 PM.

III. Petitions, Grievances, and Presentations.²

1. City Manager's Report. (City Manager).

City Manager Yerena reported that the downstairs air conditioner was broken, but that currently, the Purchasing Director is going through the state bidding list contract. He added that it appears a state vendor will be used to purchase a new air conditioner. He added that staff is purchasing portable air conditioner units.

City Manager Yerena also reported that bids for the chlormination system for NAS were received and amounts were what was anticipated, and are currently working with STWA. He added there was a meeting

with STWA regarding negotiations of contract, and said that Commissioner Laskowski would give report.

2. City Attorney's Report. (City Attorney).

Ms Alvarez reported that there had been a joint negotiation meeting with STWA and advised that another meeting will be set up. She mentioned that the STWA board would be meeting to discuss the negotiating meeting between the City and STWA. She added they were looking at dates next week for additional Police Collective bargaining. Ms Alvarez said that there would be a follow up meeting later this month regarding NAS water concerns. She added that Ms Jennifer Cantu had advised that she received a call from National Guard Organization regarding KWOP, which will meet with City staff to facilitate program, which is set to start on August 23, 2004.

3. City Commission's Reports. (City Commission).

Commissioner Pecos reported that he had received complaints from employees and citizens in reference to the air condition problems. He said that staff is being reactive instead of proactive in this situation. He also reported that he was not aware that the landfill hours are from 8:00 AM to 4:00 PM during the week. He added that hours used to be from 7:00 AM to 7:00 PM. He advised that workers picking up debris are unable to dump at the landfill.

Ms Alvarez responded that during TCEQ's audit of the landfill, they noticed that the original permit specified that hours of operation as 8:00 AM to 4:00 PM. She added that when TCEQ found out that people were allowed to dump from 7:00 AM to 7:00 PM, as posted, the City was advised that we were not in compliance. She added that it requires a permit modification. She also said that in order not to incur any violation with TCEQ and be fined, the original hours as stated were implemented. Ms Alvarez said that the Solid Waste Superintendent has applied for modification to change the operation hours back to 7:00 AM to 7:00 PM.

Ms Leubert stated she wanted to clarify the hours and that they were never 7:00 AM to 7:00 PM, but 7:30 AM to 4:00 PM. She added approval from TCEQ has been received and that for emergencies the landfill can be opened 7:00 AM to 7:00 PM.

Commissioner Pecos asked who's responsible for reading information from TCEQ. Ms. Leubert responded that the landfill is inspected once a year, and this came to her attention and she reported it to TCEQ. She added that the Engineer that wrote the permit in 1995 made the error.

Commissioner Pecos then asked about the trench burner. Ms Leubert responded that her department was at full capacity with employees, and promise was made for trucks to move the wood waste. She added burning has been done. City Manager Yerena said that funding is being allocated for trucks to help with the moving.

Commissioner Garcia asked about the speeders on 17th Street. Mr. Bejarano said that the Police Chief is doing a survey of the area.

Commissioner Pecos reported that on Thursday at the Corpus Christi airport, he and the Mayor welcomed home Juan Jose Gallegos who was returning from Iraq.

IV. Public Comment on Agenda Items ³

1. Comments on all agenda and non-agenda items.

Mr. Otis Myers, 1410 Brenda commented on the solicitation ordinance and stated that his intentions were not to punish the fire department.

Ms Lucy Contreras, 1202 E Ailsie commented on several things that are wrong with the organization of the Planning & Zoning Board. She added that someone who is very unorganized runs this very important board. She went on to advise the Commission of an incident involving her mother explaining that the Risk Manager and the TML Adjuster were very disrespectful.

Ms Tammy Duncan, MDA Associate from Corpus Christi, Texas commented that she agreed with the ordinance of panhandling, but was present to fight for fire fighters to stay on street.

Mr. Hector Hinojosa, 1318 Christy asked if the Commission had received his email in regards to the status of the Raul Rubio contract.

V. Items for consideration by Commissioners. ⁴

1. **Consider approval to authorize a contract with BankOne through the State of Texas or through the Kleberg First National Bank and its third party, BankCard, for the use of purchasing cards for low dollar purchases. (Director of Purchasing).**

Ms Byington stated that this item authorizes a contract with BankOne through the State of Texas or through the Kleberg First National Bank and its third party, BankCard, for the use of purchasing cards for low dollar purchases and annual contracts. She added that it is staff's recommendation to award bid to Kleberg First National Bank.

Commissioner Pecos asked who would be allowed to use the purchasing cards. Ms Byington responded that the City Manager would make determination.

City Manager Yerena advised that at this point only department heads for now. He added that there are restrictions that are placed on cards for using in places not allowed.

Mayor Fugate commented that he would like a better understanding.

Mr. Tim Keeler, Kleberg Bank addressed the commission, stating that the purchase card can be restricted by the card, and by SIC codes which would allow for usage at only certain places, can restrict number of uses per day, and total amount per day. He added that in addition the City will

not be liable for any unauthorized use. Mr. Keeler advised that Kleberg Bank is not making a profit.

City Manager Yerena stated the bank is trying to induce some of the entities in the area. He added this will save staff and clerk time as far as paperwork, at least \$45,000.

Ms Byington advised that if this would have been in place in July, it would have saved 167 purchase orders.

Commissioner Pecos asked if reconciling books would be easier. Mr. Bejarano responded the accounting process will be easier, he added it will help the cash flow.

Commissioner Garcia asked about billing cycle. Mr. Keeler advised it is twenty-five (25) days, and if not paid, the city incurs finance charges.

Commissioner Garcia asked the turn around time. Mr. Bejarano responded account payable pays within thirty (30) days.

Commissioner Pecos made a motion to consider approval to authorize the contract with BankOne through the State of Texas or through Kleberg First National Bank, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Garcia, and Pecos voting "FOR".

2. Consider approval of a policy which will allow certain city employees to use a purchasing card to make low dollar purchases. (Director of Purchasing).

Ms Byington stated that staff would never have considered asking for a request to approve the purchasing card if a policy was not in place. She added staff is asking for approval of a policy. She stated it is a good policy with a lot of controls.

City Manager Yerena mentioned that Ms Byington had been working on this for the last couple of years.

Commissioner Laskowski asked about the Walmart card. Ms Byington responded it was only because Walmart doesn't accept purchase orders.

Commissioner Garcia asked about the auditing procedure. Ms Byington responded that receipts will come in with statement.

Commissioner Laskowski made a motion to approve the policy as presented by staff, seconded by Commissioner Wilson and Pecos. The motion was passed and approved by the following votes: Fugate, Garcia, Wilson, Pecos and Laskowski voting "FOR".

3. Consider resolution providing for the adoption of Human Resource Initiatives for the City of Kingsville General

Compensation Policies and Pay Issues: Policy No. 620.4 Overtime Pay. (Human Resource Director).

Ms Diana Gonzalez, Human Resource Director addressed the commission and explained that the City is currently revising several policies to update the current City of Kingsville Rules and Regulations handbook. She said that the FLSA states that no sick time, vacation, holiday or other nonworking time can be used to supplement the forty (40) hour work week to get overtime. She also said that FLSA defines overtime as hours worked over forty (40) hours and not forty (40) hours accrued including sick, vacation, holiday and other nonworking hours.

Ms Gonzalez explained that employees are allowed to use sick, vacation, holiday and other nonworking hours to equal forty (40) hours to earn overtime. She said that this does not comply with FLSA Standards.

Ms Gonzalez stated that the proposed policy will bring the City of Kingsville in line with federal standards. She added money saved will be used to improve benefits for all employees.

Commissioner Pecos asked why this was being done. Ms Gonzalez responded to get the City in line with FLSA standards and this will save money.

Commissioner Pecos asked if this would hurt employees. Ms Gonzalez responded that the employee will be compensated for actual hours worked.

City Manager Yerena stated it is a matter of changing the system and added it will help to become more efficient and the City will be in compliance with FLSA. He also added that call back pay will still be available.

Commissioner Garcia asked the amount of time the City has operated under these rules. Ms Gonzalez responded that the regulation has been the same, but handbook was revised in 1995.

Commissioner Pecos questioned the fairness for employees and stated this will hurt employee morale.

Commissioner Wilson commented that if this policy is implemented, and during budget time it is found that \$100,000 has been saved on overtime, then employees could receive an across the board pay raise.

Commissioner Wilson asked how this would effective the City if an employment issue arises with EEOC. Ms Alvarez responded that at this point it will not affect the City because we are actually doing more than what the law requires.

Commissioner Garcia asked if any department has determined how much money is involved regarding one system versus other system. Ms Gonzalez responded it is very difficult.

Commissioner Wilson made a motion to table agenda item #3 for further discussion, seconded by Commissioner Garcia. The motion was passed and approved by the following votes: Laskowski, Pecos, Garcia, and Wilson voting "FOR", and Fugate voting "AGAINST".

4. Consider resolution providing for the adoption of Human Resource Initiatives for the City of Kingsville regarding Job Orientation Requirement Policies: Policy No. 500.0 Job Orientation. (Human Resource Director).

Ms Gonzalez stated that this revision would change the probation period from one (1) year to six (6) months. She added that this will allow the employee and the employer to see if the job is a good fit. She also stated employees will be allowed to use accrued sick leave after three (3) months of hire instead of six (6) months, and accrued vacation leave can be used after six (6) months instead of one (1) year.

Commissioner Pecos questioned the change. Ms Gonzalez stated a year is a long time and if employee is not fit for position the city and employee will be able to tell in this short period of time. She added this will eliminate a lengthy process and accrued sick and vacation can be used sooner.

Commissioner Wilson stated it is standard for the industry.

Commissioner Pecos commented that some employees will slow down after passing six (6) month probation. Ms Gonzalez stated probation can be extended.

Commissioner Garcia asked about evaluations. Ms Gonzalez responded the same evaluations that are in place and added all city employees will be evaluated this year.

Commissioner Garcia asked about the monies set aside for promoting or increasing salaries for employees. Ms Gonzales said this is not addressing the money part now.

City Manager Yerena said that the salary is set low so that the additional percentage after probation will get employee up to what is budgeted.

Commissioner Laskowski asked about a three (3) month evaluation to let employee know how they are doing and then again at six (6) months. Ms Gonzalez said it would be up to supervisor.

City Manager Yerena stated this gives enough time to follow process and the six (6) month is only the benchmark for the city to make determination on whether to keep employee.

Commissioner Laskowski made a motion to adopt the resolution, seconded by Commissioner Wilson. The motion was passed and approved by the following votes: Fugate, Garcia, Wilson and Laskowski voting "FOR", and Pecos voting "AGAINST".

5. Consider appointment to the Coastal Bend Council of Governments. (City Manager).

City Manager Yerena stated that at COG's last meeting, the city was made aware that we actually have two voting members. He mentioned that Commissioner Garcia is a voting member and he is the alternate. City Manager Yerena stated another voting member needed to be appointed.

Commissioner Laskowski made a motion to nominate the City Manager and nominate Arturo Pecos as the alternate, seconded by Commissioner Wilson. The motion was passed and approved by the following votes: Fugate, Garcia, Pecos, Wilson, and Laskowski voting "FOR".

6. Consider appointment of four Planning and Zoning Board members. (Director of Development Services).

Ms Detloff addressed the commission, stating that this item was brought to them at the last City Commission meeting. She added at that time it was stated that there was poor attendance by several board members and as a result of that meeting a letter was sent out by the Mayor to four members of the Planning and Zoning Commission: Dr Challoo, Mr. Erebia, Mr. Loera, and Ms Contreras.

Ms Detloff stated that Ms Edna Lopez, City Secretary had received a call from Mr. Loera that he wished to resign. She added that Ms Contreras had resigned earlier during the meeting.

Ms Lopez stated that she had received the certified receipts from Dr. Challoo, Mr. Loera, and Mr. Erebia. She also advised that Mr. Loera had called to resign and Ms Contreras has spoken to resign.

Upon a question raised by Commissioner Wilson, Ms Alvarez stated that for the two (2) being removed, yes, and for the two (2) that have resigned appointments can be done tonight up to the number of vacancies on the board.

Commissioner Wilson stated that the agenda had no action item to remove them. Ms Alvarez responded that was correct, not tonight, and there was an advertisement to see if anyone is interested in applying to be considered for the board. Commissioner Wilson asked if two (2) could be appointed.

Mayor Fugate questioned if resignations have met policies and codes. Ms Alvarez stated there is no requirement in the Code of Ordinances that the resignation must be in writing, so resignations can be taken orally.

Mayor Fugate asked if resignation would have to be accepted and voted on. Ms Alvarez responded that as a matter of procedure, it could be said the commission is officially accepting the resignations of the following two (2) P&Z Board members and we would like to consider appointment of whom ever in their place.

Commissioner Wilson asked for the date of next P&Z meeting, and if there would be a quorum. Ms Detloff stated the next meeting is on Tuesday, and yes they will have a quorum.

Mayor Fugate asked if anyone had a name to submit. Commissioner Garcia submitted Mr. Leo Alarcon.

Commissioner Laskowski submitted Mr. Robert McCreight. He added that Mr. McCreight has a resume in file with the City.

Ms Detloff stated that Mr. McCreight did express an interest. She added that she had spoken Ms Lopez about documents on file and had learned file is not in good shape. She added that there is an ad in the newspaper.

Mayor Fugate recommended it was important to make appointments at this meeting.

Commissioner Wilson made a motion to accept the resignation for Mr. Jose Loera and Ms Lucy Contreras and to appoint Mr. Robert McCreight and Mr. Leo Alarcon to the Planning and Zoning Commission, seconded by Commissioner Garcia. The motion was passed and approved by the following votes: Fugate, Pecos, Laskowski, Garcia, and Wilson voting "FOR".

7. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances by adopting Chapter XIII, Article 2, Offenses Against Public Peace and Safety, Section 13-2-24, providing for the offense of inducement to curfew. (Chief of Police).

Ricardo Torres, Chief of Police addressed the commission, stating the ordinance will rely heavily on the Police Officers discretion and added most ordinances rely heavily on the discretion of the police officers. He added that they will ensure it will used in extreme cases where the violation is readily apparent, only.

Commissioner Garcia asked the meaning of readily apparent. Chief Torres explained to find probable cause and ensure that you have the elements to meet the criminal offense.

Mayor Fugate stated his concern is that it could be something totally innocent.

Commissioner Pecos stated that officers would be making judgment call. Chief Torres said that officers have to get enough evidence to make cases.

Commissioner Garcia made a motion to approve the ordinance, seconded by Commissioner Wilson. The motion was passed and approved by the following votes: Fugate, Laskowski, Wilson, and Garcia voting "FOR", and Pecos voting "AGAINST".

8. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter XV, Article 6, Zoning; Providing for an Additional Type of Monopole Structure, Panel Antenna and Dish Antenna. (Director of Development Services).

Ms Detloff stated that this ordinance primarily to address second generation telecommunication antennas which are placed on telephone pole structures. She added that the major changes to the ordinance are the same as presented at the last meeting.

Ms Detloff went over the changes stating that on page 8, the four (4) specified items; must not exceed 50 feet; the monopoles shall meet a total wind loading factor of 550 lbs; the wind resistance cannot exceed the ultimate resting moment; and no antenna shall be greater than 48 inches in length. She added this was the same information that is on the next page to allow them by right as an alternative mounting structure. She stated that on page 10, #4 was added that the length or cross section of 48" or less be allowed.

Commissioner Laskowski asked question in reference to page (5), section E, #3. He asked about the minimum distance is one-to-one distance to height from the residence. Ms Alvarez responded that was not a change and has been in the ordinance since its passage. He then asked if this applies to a business. Ms Alvarez responded that for whatever reason when the telecommunication ordinance was originally passed that was not something that the commission opted to do.

Ms Alvarez stated that when this ordinance was originally passed, that was intended for the taller monopole structures, and the commission wanted to ensure that if there was some type of natural disaster this would not land on somebody's dwelling. She added that there are a lot of telephone poles that are much closer ratio to residential structures then we would allow a monopole tower. She said that is not something that is being amended nor is being contemplated by the commission at this time.

Ms Detloff stated that the whole point of the method that is being used is to allow them to put their antennas on structures that are right next to a house. She explained this was probably an oversight on staff's part and this part was not corrected.

Ms Detloff stated that Mr. Fees had pointed out that on the following page 6, #6 – The Zoning Board of Adjustment may reduce the required setback of a telecommunication tower adjacent to a dwelling. She added that in this case this can be taken to the Zoning Board of Adjustment.

Mayor Fugate requested this section be taken out. Ms Detloff requested it not be taken out because the distance is still needed on the significant taller towers.

Commissioner Wilson made a motion to adopt the ordinance as present for the final reading, seconded by Commissioner Pecos. The motion was passed and approved by the following votes: Fugate, Laskowski, Garcia, Pecos, and Wilson voting "FOR".

9. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter XI, Business Regulations, Article 3, Alcoholic Beverages, providing for variances for on premise and off premise consumption to allow the sale of alcoholic beverages within 300 feet of a church, public or private school, daycare or child care facility or hospital. (Director of Development Services).

Ms Detloff stated to the commission that this was brought before them at the last City commission meeting as a public hearing and for the first reading.

Ms Detloff explained the changes in the ordinance. She added that 1000 feet would be changed to 300 feet, and public hospital would be changed to hospital. She mentioned that text was added in order to bring it in accordance with the Texas Alcohol Beverage Code. She said that the all property owners within 300 feet not 1000 feet of the property on which the change is proposed would receive written notice not less than 15 days instead of 30 days before the hearing date.

Commissioner Laskowski made a motion to consider the final passage of the ordinance, seconded by Commissioner Pecos. The motion was passed and approved by the following votes: Fugate, Laskowski, and Pecos voting "FOR", and Garcia and Wilson voting "AGAINST".

10. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter XI, Business Regulations, Article 14 Vendor Solicitations, providing for regulations for charitable solicitations in the streets and right of ways. (Director of Development Services).

Ms Detloff stated this item has received a lot of comments, and staff has incorporated changes that were provided with regard with the ordinance to San Marcos. Ms Detloff explained the changes that were added. She added that the application fee had not been set. She added that only one permit per calendar should be issued per organization and street soliciting under permit may be authorized for no more than three (3) consecutive calendar days, and shall be limited to the period of 9:00 AM and one (1) hour prior to sunset at the approved locations specified on the permit. She also stated there was an appeal process. Ms Detloff stated that safety issues were also addressed.

Ms Alvarez asked the commission to consider the application fee of \$25.00.

Commissioner Garcia stated it is the charge of the commission to set fees.

Commissioner Wilson commented that a \$25.00 fee is fair and equitable.

There was discussion on hours of soliciting.

Commissioner Laskowski made a motion the final passage of the ordinance be adopted with a \$25.00 fee, seconded by

Commissioner Wilson. The motion was passed and approved by the following votes: Fugate, Garcia, Wilson, and Laskowski voting "FOR", and Pecos voting "AGAINST".

11. Consider final passage of an ordinance amending the Fiscal Year 2003-2004 Budget for the City of Kingsville for Professional Services NAS Water Treatment. (Finance Director).

Mr. Bejarano stated this was the second reading of the ordinance where \$100,000 is being moved in order to work on the liquid ammonia sulfate system. He added that currently two (2) bids have come in, one for \$128,000 and the other is \$116,000. He added that money will be moved to the special account to have money to work with NAS and STWA to implement this system.

Commissioner Laskowski made a motion to approve this ordinance to take the funding from the funds that are available for water from the CAP 98 monies and the balance to be taken from the 003 Capital Improvement Funds, seconded by Commissioner Wilson. The motion was passed and approved by the following votes: Fugate, Pecos, Garcia, Wilson and Laskowski voting "FOR".

12. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances abandoning a 60 foot wide street right of way on West Richard Avenue between 6th Street and 5th Street in the Original Townsite Addition and the Third Addition. (City Engineer).

Mr. Fees reported that this is part of a program by the Union Pacific Railroad and the TXDOT to provide funding to municipalities for street infrastructure improvements in the community rather than pay for additional railroad crossing lights and signals.

Mr. Fees stated that he had spoken to Mr. Macario Mayorga, Water Supervisor and had been advised that Alice Street has a six (6) inch water main that would need to be removed, and Richard Street has none.

City Manager Yerena mentioned again that these two (2) streets met criteria. He added that staff is recommending one (1) of those streets be closed.

Commissioner Wilson asked that safety control devices be installed for the safety of the residents in that location.

Commissioner Laskowski made a motion to close Richard Street, seconded by Mayor Fugate. The motion was passed and approved by the following votes: Fugate, Wilson, Laskowski voting "FOR", and Pecos, Garcia voting "AGAINST".

13. Consider introduction of an ordinance amending Chapter IX, Article 5, Fire Prevention and Protection, providing for clarification on permit and inspection fees. (Commissioner Garcia).

Ms Alvarez pointed out the only change was on page 11.

Commissioner Garcia asked the clarification. Ms Alvarez responded that hopefully it would alleviate any confusion by anyone getting an inspection done under the permit. She added there is a potential for consumer confusion. She also mentioned that additional fees are not included in the initial \$67.00 fee and added that it depends on what is at the different locations, their equipment and facilities as to what additional charges may be incurred for the inspection.

Introduction Only

14. Consider accepting certified total appraised, assessed, and taxable values of all property and total taxable values of new property in the City of Kingsville as certified by the Kleberg County Appraisal District. (Finance Director).

Mr. Bejarano stated that this is to consider the certification of the tax roll which is \$518,985,224 net taxable value, with \$186,250 under protest value. He added the final value for 2004 is \$519,171,474.

Commissioner Wilson made a motion to accept the certification of the 2004 Appraised Records, seconded by Commissioner Pecos. The motion was passed and approved by the following votes: Fugate, Garcia, Laskowski, Pecos, and Wilson voting "FOR".

15. Consider 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. (Finance Director).

Mr. Bejarano stated the tax rate is 0.68153. He added that a 1% increase would provide an additional 35%. He explained that the increase from 2003 to 2004 was \$15,707,651. He also explained the increase in the tax levy which was \$89, 029.

Commissioner Wilson asked about setting tax rate at different amounts.

There was a lengthy discussion on the figures not matching.

Commissioner Wilson requested to post amended agenda for Thursday's meeting if matter is not able to be resolved.

There was discussion on time tables for adopting tax rate and on setting a date for additional workshop on this item.

No action was taken.

16. Discussion on current South Texas Water Authority contract negotiations. (Commissioner Laskowski)

Commissioner Laskowski gave overview of the meeting held with the STWA and the City negotiating team to discuss the position of the City for the future water supply contract. He added there was a letter from the President of STWA asking the City of address several questions. He added that after discussion with staff, himself and Commissioner Pecos, and a letter addressed to the President Abel Garza with certain items was faxed to the Executive Director.

Commissioner Laskowski stated that the City and STWA met on Thursday and presented its position that the City had \$350,000 to purchase water and that was all that was afforded. He added that the discussion ended with STWA wanting to know when the next meeting would be. He stated that he had advised that only after receiving direction from commission the next meeting will be scheduled.

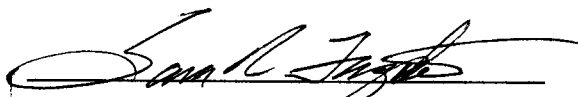
Commissioner Laskowski stated that Commissioner Pecos made recommendation that the contract be for five (5) years and at end of three (3), the negotiation process would start.

Commissioner Laskowski stated he was looking for direction and guidance.

There were no questions or comments.

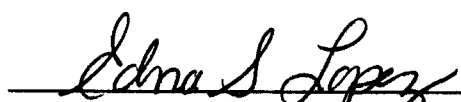
VI. Adjournment.

The meeting was adjourned at 8:30 PM.



Sam R. Fugate, Mayor

ATTEST:



Edna S. Lopez, City Secretary