

September 21, 2004

A SPECIAL MEETING OF THE KINGSVILLE CITY COMMISSION WAS HELD IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL / 200 EAST KLEBERG AVENUE ON TUESDAY, SEPTEMBER 21, 2004 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
George Bejarano, Asst. City Manager/Finance Director
Stanley Fees, City Engineer
Jennifer Cantu, Director of Development Services
Joe Casillas, Water Production Field Supervisor

I. Preliminary Proceedings.

Mayor Fugate opened the meeting at 6:20 P.M.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

City Manager Carlos Yerena led everyone in prayer. The Pledge of Allegiance and Texas Pledge followed.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Commissioner Laskowski made a motion to accept the minutes as presented, seconded by Commissioner Pecos.

Commissioner Laskowski thanked the City Secretary for keeping up with the minutes and stated that she was doing a good job.

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

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

1. None.

III. Petitions, Grievances, and Presentations.²

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

City Manager Yerena said he did not have anything to report.

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

Ms Courtney Alvarez reported that items are being prepared for next Monday's regular meeting, and asked that staff and Commission members contact the City Secretary's office with information for that agenda by noon tomorrow.

Mayor Fugate commented that he would like to get back on schedule with two meetings per month.

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

Commissioner Pecos reported that staff is doing an outstanding job in cleaning the creeks.

IV. Public Comment on Agenda Items³

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

Mr. John Ford, 229 Lonnie Lane, from the Texas Cooperative Extension Service, spoke on behalf of the salary (1/3) for the youth development agent. He stated that he had the impression that the requested amount of \$8,104.00 was approved for this fiscal year and the upcoming fiscal year since the state funding short file could not be addressed until the 2005 biennium. He stated that he was respectfully requesting that this item be reexamined before the budget is approved, tonight.

V. Items for consideration by Commissioners.⁴

1. Consider final passage of an ordinance adopting the annual budget of the City of Kingsville, Texas, and appropriating funds for the fiscal year beginning October 1, 2004 and ending September 30, 2005. (Finance Director).

Mr. George Bejarano, Assistant City Manager/Finance Director stated that this ordinance is for the year 2004-2005. He said that the option of this budget is \$16,952,008, and it is composed of general fund revenues of \$12,116,506, expenses for the general fund are \$12,001,057, and a fund balance of \$115,449. He added that the utility fund would be \$5,432,250, and the expenses for the utility fund are \$4,950,951, with a fund balance of \$481,299. He said that between both funds there is a fund balance of \$596,748, and the expenses are \$16,952,008, which is exactly the item that needs to be approved for the annual budget for the City of Kingsville.

Mayor Fugate asked for any comments or questions.

Commissioner Wilson made a motion to adopt the proposed budget 2004-2005 and allow the Parks Department to use funds that we fund them as they so see fit, seconded by Commissioner Pecos.

Mayor Fugate called for any discussion.

Commissioner Garcia questioned the addition to the motion, "to allow the Parks Department to spend the money as they choose", and asked if that included Mr. Ford's situation. City Manager Yerena replied that it was not included in the proposed budget, and would not be included. He stated that the Park Department would have to be able to do in house switching, or they would have to accommodate them internally.

Mayor Fugate clarified the motion, stating that the Parks Department would be allowed to spend their money how they want. He then asked for past procedure.

Commissioner Wilson said that he would withdraw his motion if Commissioner Pecos would withdraw his seconded.

Mayor Fugate said that the motion and the seconded were rescinded.

Commissioner Wilson made a motion to adopt the budget as presented 2004-2005 and allow the Parks to reallocate enough resources to fund the position for the Kleberg County Extension Agent, seconded by Commissioner Laskowski.

Mayor Fugate called for discussion.

Commissioner Wilson explained his motion. He thanked staff for their diligence and for staying focus to get the task done during the budget process. He also commended the Mayor and his fellow Commissioners for seizing the opportunity to get a fund balance for a better financial position.

Commissioner Laskowski also thanked staff, and stated that this is a tight budget that will take the commitment of all department heads and employees to make sure that this budget works. He added that he believes confidently that they will.

Commissioner Garcia also thanked staff.

Commissioner Pecos congratulated the staff for working diligently, and added that there were a lot of hard decisions made and programs were cut.

Mayor Fugate stated that staff knows how he feels, and he now knows more about the City from going through the budget. He said that it will be up to management to get this to work, and he has all the confidence in the world for both the City Manager and Assistant City Manager.

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

2. Consider final passage of an ordinance establishing and adopting the Ad Valorem Tax Rate for all taxable property within the City of Kingsville, Texas for the fiscal year beginning October 1, 2004 and ending September 30, 2005, distributing the tax levy among the various funds, and providing for a lien on real and personal property to secure the payment of taxes assessed. (Finance Director).

Mr. Bejarano stated that this ordinance establishes and adopts the tax rate for the City of Kingsville. He said that for the general fund expenditure the rate is set at \$.44924 for the \$16,952,008 proposed general fund budget, and for the debt service fund expenditure the rate is set at \$.25272 for the proposed debt service budget of \$1,312,050. He added that the tax rate would be \$.70196.

Commissioner Garcia made a motion to accept tax rate as proposed, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Pecos, Garcia voting "FOR".

3. Consider introduction of an ordinance amending the Fiscal Year 2003-2004 Budget for the City of Kingsville for CO 2002-2002A Wastewater Utility Plant expenditures. (Finance Director).

Mr. Bejarano stated that this is an ordinance that reclassifies expenditures from the utility fund to the CO 2002-2002A for emergency expenditures that were incurred during the month of July, for the power surge that knocked the plant down.

Mayor Fugate called for any questions or comments.

Commissioner Laskowski asked about the decrease of \$26,855 for a vehicle in Department 700.2 and what would be done if a Utility Superintendent were hired. Mr. Bejarano replied that they would work with what is available at the time that this individual is hired.

No Action, Introduction Only.

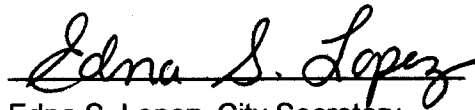
VI. Adjournment.

Meeting was adjourned at 6:40 P.M.



Sam R. Fugate, Mayor

ATTEST:



Edna S. Lopez, City Secretary