

AUGUST 18, 2005

A SPECIAL JOINT MEETING OF THE CITY OF KINGSVILLE, TEXAS, CITY COMMISSION WITH NUECES WATER SUPPLY CORPORATION, CITY OF BISHOP, AND RICARDO WATER SUPPLY CORPORATION WAS HELD ON THURSDAY, AUGUST 18, 2005 AT THE KLEBERG BANK COMMUNITY ROOM BASEMENT – 100 EAST KLEBERG AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Charles 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

MEMBERS OF OTHER ENTITIES PRESENT:

City of Bishop
Geraldine Rypple, Mayor
Lee Roy Knieschnick, Council Member
Karrion Dear, Council Member
Rafaelita Cardenas, Council Member
Billie Erwin, Council Member
Alvin J Dragon, Council Member
Cynthia Contreras, City Secretary
Albert Guajardo, Public Works Director
Ricardo Water Supply Corporation
R. Zavala, Secretary
Humberto G., Board Member
Angel Gonzalez, Vice President
Baldemar Garcia, President
Tim Robertson, Director
Oliver Hinojosa, Director
Nueces Water Supply Corporation
Jayne Franklin, President
Bob Boswell, Member
Alice J Black, Secretary/Treasurer

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting in the Kleberg Bank Community Room at 6:10 pm. He announced that the City of Kingsville had quorum present; Mayor Rypple announce that the City of Bishop had quorum present; Nueces Water Supply Corporation and Ricardo Water Supply Corporation both announced they had quorum present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Mr. Carlos Yerena, City Manager, followed by the Pledge of Allegiance and the Texas Pledge.

II. Petitions, Grievances, and Presentations.²

1. None.

III. Items for consideration by Commissioners.⁴

1. **Discuss and consider approval of the proposed water supply contract between the City of Kingsville and South Texas Water Authority. (City Attorney).**

Mayor Fugate called for every entity to read their Item for Consideration.

Mayor Fugate called for Bishop City Attorney, Mr. Benadum's presentation. Mr. Benadum stated he is representing Nueces Water Supply Corporation, Ricardo Water Supply Corporation and the City of Bishop. He provided a brief overview of the proposed water supply contract, which he described as a collaborative effort by all user agencies. He touched on some of the principals, key features, and principal objectives to control future increases. The five year contract calls for uniform water usage charge to all entities served by STWA. The contract includes a maximum five percent increase per year for STWA costs and a mechanism for resolving disputes between STWA and its users by means of meditation. The five year contract has provisions in renewal of five year increments for the next twenty years. He pointed out that each entity has its own contract. Finally, Mr. Benadum stated that all customers should be treated the same and recommended adoption of the resolutions.

Mayor Fugate called for comments. Mayor Fugate congratulated all the entities, attorneys and Commissioner Laskowski on working together. He further stated that this was a fair proposal to South Texas Water Authority, and that everybody pays the same amount.

The City of Kingsville presented their motion on the Water Supply Contract 2005.

Mayor Fugate called for a motion. **Commissioner Wilson made a motion "That the terms of the proposed Water Supply Contract between the City of Kingsville and the South Texas Water Authority be hereby approved and that the Mayor be authorized and directed to offer this Contract to the South Texas Water Authority's Board of Directors, on the following three conditions:**

1. **That this offer shall be made jointly with, and in conjunction with corresponding offers on the same terms by the Nueces Water Supply Corporation, the Ricardo Water Supply Corporation, and the City of Bishop and that this offer is limited and cannot be accepted unless the South Texas Water Authority accepts all of said offered contracts on the same term; and**
2. **That the City of Kingsville Water Negotiating Team is authorized to negotiate, in cooperation with the corresponding representatives of the other entities named above, and then to recommend to the City Commission for final approval the amount of the initial Handling Charge in Section 8 (A) 1; and**
3. **That the Mayor or Mayor Pro-Tem be authorized to execute such documents and to take such further actions as he deems necessary to effectuate the purposes of this Contract.**

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

Council Member Dragon read the resolution for the City of Bishop, Resolution No. 81805.

It is hereby resolved by the City Council of the City of Bishop, Texas as follows:

1. That the terms of the appended Water Supply Contract between the City of Bishop and the South Texas Water Authority are hereby approved and that the Mayor is authorized and directed to offer this contract to the South Texas Water Authority's Board of Directors, on the condition stated in paragraph 2, below; and
2. That this offer shall be made jointly with, and in conjunction with corresponding offers on the same terms by, the Nueces Water Supply Corporation, the Ricardo Water Supply Corporation, and the City of Kingsville and that this offer is limited and cannot be accepted unless the South Texas Water Authority accepts all of said offered contracts on the same terms;
3. That the City of Bishop Water Advisory Committee is authorized to negotiate, in cooperation with the corresponding representatives of the other entities listed above, and then to recommend to the City Council for final approval the amount of the initial Handling Charge in Section 8(A) 1; and
4. That the Mayor is authorized to execute such documents and to take such further actions as she deems necessary to effectuate the purposes of this Resolution.

There was a first and a second made to approve the resolution. Mayor Rypple called for a vote. The resolution was unanimously approved.

A Nueces Water Supply Corporation representative read their resolution.

It is hereby resolved by the Board of Directors of the Nueces Water Supply Corporation as follows:

1. That the terms of the appended Water Supply Contract between the Corporation and the South Texas Water Authority are hereby approved and that the President of the Corporation is authorized and directed to offer this Contract to the South Texas Water Authority's Board of Directors, on the condition stated in paragraph 3, below; and
2. That this offer shall be made jointly with, and in conjunction with corresponding offers on the same terms by, the Ricardo Water Supply Corporation, the City of Bishop, and the City of Kingsville and that this offer is limited and cannot be accepted unless the South Texas Water Authority accepts all of said offered contracts on the same terms;
3. That the Corporation's negotiating committee is authorized to negotiate, in cooperation with the corresponding representatives of the other entities listed above, and then to recommend to the City Council for final approval the amount of the initial Handling Charge in Section 8(A) 1; and
4. That the President is authorized to execute such documents and to take such further actions as she deems necessary to effectuate the purposes of this Resolution. The resolution was unanimously approved.

Mr. Tim Robertson, Director, read Ricardo Water Supply Corporation's resolution.

It is hereby resolved by the Board of Directors of the Nueces Water Supply Corporation as follows:

1. That the terms of the appended Water Supply Contract between the Corporation and the South Texas Water Authority are hereby approved and that the President of the Corporation is authorized and directed to offer this Contract to the South Texas Water Authority's Board of Directors, on the condition stated in paragraph 3, below; and
2. That this offer shall be made jointly with, and in conjunction with corresponding offers on the same terms by, the Nueces Water Supply Corporation, the City of Bishop, and the City of Kingsville and that this offer is limited and cannot be accepted unless the South Texas Water Authority accepts all of said offered contracts on the same terms;
3. That the Corporation's negotiating committee is authorized to negotiate, in cooperation with the corresponding representatives of the other entities listed above, and then to recommend to the City Council for final approval the amount of the initial Handling Charge in Section 8(A) 1; and
4. That the President is authorized to execute such documents and to take such further actions as she deems necessary to effectuate the purposes of this Resolution.

The resolution was unanimously approved.

Except for the City of Kingsville, each entity called for public comments. No comments were made.

VII. Adjournment.

There being no further business to come before the City Commission of the City of Kingsville, the meeting was adjourned at 6:30 P.M.

All entities followed with their procedure to adjourn.


Sam R Fugate, Mayor

ATTEST:


Edna S Lopez City Secretary