

SEPTEMBER 5, 2006

A SPECIAL MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON TUESDAY, SEPTEMBER 5, 2006 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS, CITY HALL / 200 EAST KLEBERG AVENUE AT 5:00 P.M.

CITY COMMISSION PRESENT:

Sam R Fugate, Mayor
Charles E Wilson, Mayor Pro-tem arrived at 5:20 P.M.
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
Yolanda Cadena, Health Director
Frank Garcia, Interim Wastewater Supervisor
Bill Donnell, Interim Street Superintendent
Jennifer Cantu, Director of Development Services
Dora Byington, Purchasing Director
Mark Rushing, Finance Director
Diana Gonzales, Human Resource Director
Macario Mayorga, Water Supervisor
Al Lopez, Fire Chief
Orlando Torres, Computer Tech
Joe Casillas, Water Production Supervisor
Caron Vela, Accounting Manager

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the workshop to order at 5:05 P.M., and announced quorum is present.

CONVENE INTO PETITIONS, GRIEVANCES, AND PRESENTATIONS – ITEM III – #1/WORKSHOP SESSION TO REVIEW AND DISCUSS PROPOSED FISCAL YEAR 2006-2007 BUDGET FOR DEPARTMENTS OF THE CITY OF KINGSVILLE.

City Manager Yerena stated budget information was provided for Commission review this past weekend. He stated there is a revised budget recap that was handout to them before the start of the workshop. He stated the fund balance for the general fund is \$47,915; and the utility fund, \$53,087. He explained the recap includes a 3% increase for all employees, the transfer from the utility fund for engineering salaries; and a \$109,000 transfer from the CO's to the general fund is also included. He stated this is based on a proposed tax rate of \$.68545 which is still below the rollback rate, \$.068544. He stated there is a 2% increase beyond the 3% increase, which is a 5% increase for the dispatchers. He stated this would bring them up-to-date. He stated that staff would entertain questions.

There was discussion regarding dispatchers' salary increase rate

Ms Diana Gonzales, Human Resource Director provided information on salary increases for dispatchers. She stated a senior dispatcher will go from range 14 to 16 for an overall salary increase of \$12,144, for all; and a regular dispatcher will go from range 12 to 14 for an overall salary increase of \$17,835 for eight employees.

Commissioner Garcia asked about the areas competitive salaries. Ms Gonzales replied that Corpus Christi is paying their dispatchers \$13.21; and Victoria is paying them \$13.00. Commissioner Garcia asked about certification pay for wastewater employees. City Manager Yerena replied it is advisable to add this to the budget since one employee within the department is already getting paid.

Mayor Fugate asked about monies allocated for streets. City Manager Yerena replied there is about \$109,000 allocated for streets, and \$73,000 for 6th Street. Commissioner Laskowski stated the monies allowed for 6th Street was taken out. City Manager Yerena stated there is only a portion of it back.

Regarding the line item for Motor Oil & Gas, Mr. Mark Rushing, Finance Director stated that line item was decrease in each department.

City Manager Yerena stated that at a previous Commission meeting there was discussion on an issue regarding two line items in the Health Department, Account #219 - Animal Care, \$6,480 and Account #511 - Building Maintenance, \$5,000. He stated the question on Account #219 was whether the City was going to go from \$2,700 to \$6,480 or \$5,400, it was placed at \$5,400 depending Commission discussion. He stated that Account #511 was left at \$5,000. Mayor Fugate suggested taking the high end for building maintenance, \$7,500. City Manager Yerena stated the other changes include County's half portion of JLUS grant. He added that the other point of discussion was the Police Department communications for a maintenance contract of \$21,000 and computer equipment were shifted to Certificates of Obligation which are not reflected in the budget.

Upon a question from Commissioner Pecos, Mr. Rushing stated projected sales tax increase is about \$400,000.

Mayor Fugate called for further comments or questions. Commissioner Laskowski recommended talking about management salary increase for \$46,381, which only addresses ten (10) out of twenty-eight (28) employees. Mayor Fugate stated the other employees are receiving a 3% raise, but they're not getting the other adjustments. City Manager Yerena stated this basically is for internal equities, so at the end the City can be competitive at the market level. He stated that even with some of the increases the City is still at the low end. The employees affected are at the low end of their group. Mayor Fugate stated some of these employees have assumed more responsibilities. City Manager Yerena stated in the last three years, ten (10) positions have been absorbed and management has become more efficient. He stated this proposal does not solve the situation, but it brings it into a more competitive level.

With regard to court fines, Commissioner Pecos asked why the City was only adopting \$272,000, when the year-to-date total is \$322,000. Mr. Rushing replied this shows only a quarter collected, fines are accumulated and are cleared out to the state. He added this may have been understated, but they are conservative estimates.

Mayor Fugate called for further questions. Commissioner Laskowski voiced his concern about taking a budget with a \$48,000 Fund balance. Mayor Fugate stated he agreed, but this City Manager has done remarkable job of managing his budget. He stated he has a lot of confidence in the City Manager to make this work. He then asked Mr. Rushing's opinion. Mr. Rushing replied he believed so, revenue sales, sales tax and property taxes are coming in. He stated that last year's budget had some flexibility built in to cover last minutes emergencies. He added that this year's budget is pretty lean.

Mayor Fugate asked about meeting responsibility to the citizens. City Manager Yerena replied one thing this Commission has asked is to prioritize, and staff has purchased heart monitors, and is looking at purchasing a fire ladder truck. He stated that the ladder truck would be purchased under a finance plan that will not impact the proposed budget. Mr. Rushing stated there will be additional revenue from the process of ambulance collections. City Manager Yerena stated there is an accumulation of years of not purchasing equipment, which is very hard to address immediately.

Fire Chief Lopez stated that two new devises recommended by Christus Spohn Hospital should arrive within the next couple of days. The total amount for the two monitors is about \$27,000. Chief Lopez provided information on the life expectancy for a defibrillator and heart monitor.

Commissioner Wilson recommended the City Manager develop a program that would take planned obsolescence into account when developing future budgets for equipment that is destine to become obsolete due to the inability to find parts for repairs. He then asked about callouts for the Water department. City Manager Yerena stated he did not have any information available, but would email information to the Commission.

Upon a request from Commissioner Laskowski, Mr. Mayorga provided information on callouts. City Manager Yerena stated that Staff's goal is to minimize the amount of people sent to a callout.

Mayor Fugate called for questions or comments.

The workshop was closed at 5:50 P.M.

6:00 P.M. – Regular Session of the Agenda continues.

Mayor Fugate called the meeting to order in the City Commission Chambers at 6:00 P.M.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Ms Dora Byington, followed by the Pledge of Allegiance and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Mayor Fugate announced there were no minutes to consider.

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

1. A Public Hearing on a proposed property tax rate increase from \$0.71000 to \$0.68544.

The public hearing was opened at 6:03 P.M.

Mayor Fugate announced that the vote on the tax rate will take place on Monday, September 25, 2006 at 6:00 P.M. at a regular City Commission Meeting here in the Alcorn Commission Chambers, City Hall, 200 East Kleberg Street, Kingsville, Texas.

Mayor Fugate called for comments on this subject. He announced comments are limited to five minutes with no extensions.

Upon a question from Mayor Fugate, Ms Alvarez stated there is nothing that indicates the specific period of time for a public hearing to stay opened. She stated it was announced at a previous meeting and it was published in the newspaper. She added there is nothing in the tax code.

Commissioner Garcia asked if the wording on the agenda was a correct. City Manager Yerena stated this is an increase from the effective tax rate but actually it is a decrease from last year's tax rate.

Mayor Fugate called for other comments.

The public hearing was closed at 6:08 P.M.

III. Petitions, Grievances, and Presentations.²

1. Review and discuss proposed fiscal year 2006-2007 budget for departments of the City of Kingsville.
2. City Manager's Report. (City Manager).

Mayor Fugate called for the City Manager's report. City Manager reported the progress of the KWOP program; on the schedule for Media Day; and on the Pandemic Influenza Workshop on Thursday.

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

Mayor Fugate called for the City Attorney's report. Ms Alvarez reported on the next scheduled regular City Commission meeting on Monday, September 11, 2006; she provided information on proposed ordinances for Monday's meeting; and announced that there will be a 2nd public hearing on the tax rate at Monday's meeting and an introduction for the tax rate ordinance will be presented.

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

Mayor Fugate called for the City Commission's reports. Commissioner Garcia commented on an article on the fire department that was published in the newspaper. He stated he was never contacted by anyone from the fire department. Commissioner Laskowski echoed that statement. He also announced there are two (2) vacancies in the Planning & Zoning

Commission. Commissioner Wilson stated he had not been approached by any firefighter about the issues in the newspaper. Mayor Fugate stated this Commission is very concerned about citizen safety. Commissioner Pecos asked that the City Manager make them aware of any safety situations that may arise.

IV. Public Comment on Agenda Items³

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

Mayor Fugate called for comments on all agenda and non-agenda items. There were no comments.

V. Consent Agenda

NONE

REGULAR AGENDA

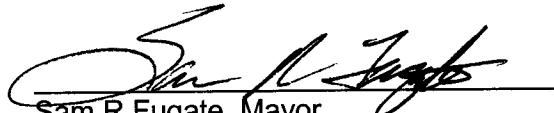
CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

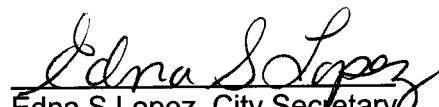
NONE

VII. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:15 P.M.


Sam R Fugate, Mayor

ATTEST:


Edna S Lopez, City Secretary