

SEPTEMBER 25, 2006

A REGULAR MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON MONDAY, SEPTEMBER 25, 2006 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS, CITY HALL / 200 EAST KLEBERG AVENUE AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam R Fugate, Mayor
Charles E Wilson, Mayor Pro-tem
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
Mark Rushing, Finance Director
Yolanda Cadena, Health Director
Al Lopez, Fire Chief
Diana Gonzales, Human Resource Director
Jennifer Cantu, Director of Development Services
Dora Byington, Purchasing Director
Frank Garcia, Interim Wastewater Supervisor
Bill Donnell, Interim Street Superintendent
Macario Mayorga, Water Supervisor
Diana Leubert, Solid Waste Superintendent
Jaime Garza, Task Force Commander
John Garcia, Garage Superintendent
Ricardo Torres, Police Chief
Art Alvarez, Risk Manager
Caron Vela, Accounting Manager

I. Preliminary Proceedings.

OPEN MEETING

Mayor Pro-tem Wilson called the meeting to order in the Commission Chambers at 6:00 P.M., and announced there would be a five (5) minute recess to allow the television camera to be set up for recording of the meeting.

At 6:05 P.M., Mayor Fugate called the meeting to order.

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 called for consideration of the minutes of the regular meeting of September 11, 2006. **Commissioner Wilson made a motion to accept the minutes as presented, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".**

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

1. Public Hearing regarding condemnation proceedings for structures located at 511 W Huisache, 430 S 2nd, 607 E Nettie, and 705 W Doddridge. (Building Official).

The public hearing was opened at 6:07 P.M.

Ms Alvarez announced that due to the Building Official's absence, this item would have to be postponed until the next meeting.

The public hearing was closed at 6:09 P.M.

III. Petitions, Grievances, and Presentations.²

1. Presentation by Mr. Hal Ham on the Hotel/Motel Tax Fund for the John E. Conner Museum.

Mr. Hal Ham, Director, John E Conner Museum provided information on a synopsis of the spending out of the account that is funded through the City. He stated that the Museum participates in the South Texas Ranching Heritage Festival, South Texas Birding Festival, The Regional History Fair, and have helped with the Whataburger Bowl Game and the Hispanic Chamber of Commerce September 16th celebration. He stated that the Educator position is vacant and when filled will be a part-time position. He stated the proposed budget is for \$37,864.66.

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

Mayor Fugate called for the City Manager's report. City Manager Yerena reported on the 2nd Annual Fall Family Picnic and Cook-Off Contest; on the 2nd Trash-off Day on October 14th; and on hosting several Mayors from Tamaulipas for a Bi-National Texas-Tamaulipas Economic Alliance Symposium on October 5th.

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

Mayor Fugate called for the City Attorney's report. Ms Alvarez reported that all department heads should be in attendance at KICC meeting, topic of discussion will be Trash-Off Day.

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

Mayor Fugate called for the City Commission's reports. Commissioner Laskowski reported on the new informational guide for Keep Kingsville Beautiful, and thanked local businesses for their contribution, and reported on organizing groups to help the elderly with getting their items to the Trash-Off Day location. He also thanked the University Publications Department for helping with the publication.

Commissioner Garcia reported on attending a meeting where he serves on the TML Legislative Policy committee and on attending a COG meeting in Corpus Christi regarding ORCA issues.

IV. Public Comment on Agenda Items³

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

Mayor Fugate called for comments on all agenda or non-agenda items.

Kay Franklin, Texas A&M University-Kingsville asked if brush could be taken to the area where Trash-Off Day will be located.

Mayor Fugate called for consideration of the Consent Agenda Items (1-8).

Commissioner Wilson made a motion to hear Agenda Item #23 before the Consent Agenda, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".

23. Consider awarding Bank Depository Contract. (City Manager).

City Manager Yerena stated that before them was the information in reference to request for applications. He stated that four applications were received, the committee reviewed the applications, and their recommendation is to stay with Kleberg Bank.

Commissioner Pecos made a motion to accept Staff's recommendation, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Wilson, Pecos voting "FOR".

V. Consent Agenda

1. **Motion to approve awarding annual contract, Bid No. 27-13 for diesel fuel to the lowest bidder, Oil Patch Petroleum from Corpus Christi, Texas deliveries to the warehouse and the landfill. (Purchasing Director).**
2. **Motion to approve awarding annual contract, Bid No. 27-14 for gasoline to the lowest bidder, Patch Petroleum from Corpus Christi, Texas for regular unleaded gasoline to be delivered to the warehouse and to the landfill. (Purchasing Director).**
3. **Motion to approve resolution authorizing the City Manager to enter into the Coastal Bend Regional Advisory Council TSA-U Emergency Medical Services Mutual Aid Memorandum of Understanding. (Fire Chief).**
4. **Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewers, providing for fees for certain service calls. (City Attorney).**
5. **Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinances by amending Section 7-1-26 of Chapter VII, Article 1, Traffic Regulations; providing for a restriction of no residential parking. (City Attorney).**
6. **Motion to approve a Memorandum of Understanding agreement between the City of Kingsville and Learning for Life, a District of Columbia non-profit corporation ("Learning for Life") regarding the Exploring Program. (Fire Chief).**

Commissioner Laskowski made a motion to approve Consent Agenda Items 1-6, and to remove Items 7 & 8 for discussion, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Pecos, Laskowski voting "FOR"

7. **Motion to approve a resolution authorizing the submission of an application to the Texas Department of State Health Services for the purpose of requesting funding for two heart monitors through the department's grant program. (Fire Chief).**

Commissioner Laskowski asked when this application was submitted. Fire Chief Al Lopez replied in the month of August. Commissioner Laskowski then stated his request to remove this item from the consent agenda.

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

8. **Motion to approve a resolution of the City Commission of the City of Kingsville, Texas, authorizing the submission of a Texas Community Development Block Grant Program application to the Office of Rural Community Affairs for the Community Development Fund; and Authorizing the Mayor to act as the City's Executive Officer and authorized Representative in all matter pertaining to the City's participation in the Community Development Program. (City Manager).**

City Manager Yerena stated this particular resolution would authorize an application to replace sewer lines on East Lee Street; the grant amount is \$300,000. He mentioned that grant award might be difficult to receive because the City received funding last year.

Commissioner Laskowski voiced his concern regarding using monies allocated for the INS study but added that he stated he is not opposed to submitting the grant.

Commissioner Pecos made a motion to ask for the grant, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Wilson, Laskowski, Garcia, Pecos voting "FOR".

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

9. Consider authorizing Staff to negotiate with the highest ranking professional planning firm for the Master Plan. (Director of Development Services).

Ms Jennifer Cantu stated that staff has been working on this for several months, seven firms responded with a proposal. She stated each firm made a presentation. She stated that the firm, Kendig, Keast Collaborative from Sugarland, Texas was rated No. 1.

Commissioner Laskowski made a motion to approve staff to negotiate with Kendig, Keast Collaborative, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Wilson, Laskowski voting "FOR".

10. Consider authorizing Staff to negotiate with the highest ranking professional planning firm for the Joint Land Use Study (JLUS). (Director of Development Services).

Ms Cantu stated this item authorizes staff to negotiate with the highest ranking professional planning firm for the Joint Land Use Study (JLUS). She stated that the context was approved by the Office of Economic Development. The committee's recommendation is for Matrix Design Group from Phoenix, AZ.

Dr. Rudy Lopez, KISD Superintendent addressed the Commission and stated this was a thorough job done by City Staff, and thanked the City for involving different aspects of the community.

Commissioner Pecos asked if this company has done this type of work before. Ms Cantu replied this is their specialty.

Commissioner Wilson made a motion to authorize Staff to negotiate with the highest ranking professional planning firm, Matrix Design Group for the Joint Land Use Study, seconded by Commissioner Garcia and Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Laskowski, Garcia, Pecos, Wilson voting "FOR".

11. Consider removing from the table two appointments to the Planning and Zoning Commission. (TABLED 09/11/06)(City Manager).

Mayor Fugate called for consideration of removing item #11 from the table. Commissioner Wilson made a motion to remove item from the table, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".

12. Consider two appointments to the Planning and Zoning Commission. (City Manager).

Mayor Fugate nominated Mr. Armando Martinez, Commissioner Laskowski nominated Mr. John Howe to the Planning and Zoning Commission.

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

13. Consider condemnation of structure located at 511 W. Huisache. (Building Official).

Mayor Fugate asked if anyone else could present this item. Ms Alvarez replied Mr. Daehn is the only one authorized by ordinance to do this.

No action taken.

14. Consider condemnation of structure located at 430 S. 2nd. (Building Official).

No action taken.

15. Consider condemnation of structure located 607 E. Nettie. (Building Official).

No action taken.

16. Consider condemnation of structure located 705 W. Doddridge. (Building Official).

No action taken.

17. 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 01, 2006 and ending September 30, 2007, in the particulars hereinafter stated. (City Manager)

City Manager Yerena stated several workshops were presented, and the proposed ordinance is from information on the summary sheet. He stated Staff would entertain any questions.

Commissioner Pecos stated he had requested an executive session. Mayor Fugate stated it was his understanding that the City Attorney had said that was not possible. Ms Alvarez stated she provided a copy of information from the Government Code and a summary from the Attorney General of an opinion which states clearly what can be heard in executive session.

Mayor Fugate called for questions or comments. Commissioner Garcia asked if at this time, the Commission could talk about salaries for certain positions. Ms Alvarez replied this could be discussed in open session. Commissioner Pecos stated that due to the lack of monies increases in management salaries should not occur.

Commissioner Pecos made a motion that additional increases for the positions of City Manager, City Attorney, City Engineer, Risk Management Director, Solid Waste Superintendent, Municipal Court Manager, Landfill Field Supervisor, and Water Production Supervisor are removed from this budget. He stated that by removing this he makes the motion that these increases were not added in the new budget. Commissioner Laskowski asked for clarification. Commissioner Pecos replied every except the Public Works Director. Commissioner Wilson stated there was a current sheet that includes the City Secretary. Commissioner Pecos stated that the City can only afford an increase for the Public

Works Director. He stated the monies saved from not giving these increases can be used for repairs to the warehouse and other things that come up.

Commissioner Wilson asked about some discrepancies on a sheet that was handed out to the Commission before the meeting. He stated the amount allocated for the increases was \$39,665.52, which is discrepancy from the \$46,574. Ms Alvarez provided some clarification to Commissioner Wilson's question.

Commissioner Laskowski asked if the Commission was talking about doing away with step increases which totals to \$8,882.09. A lengthy discussion about the step increases followed.

Commissioner Wilson asked that Mr. Mark Rushing, Finance Director do some math before a decision is made. He stated that Commissioner Pecos does not have a second to his motion. He asked Commissioner Pecos to better define his motion. Commissioner Wilson asked Commissioner Pecos if he was only taking out the increases or was it his intention to take away the increases along with the step program. Commissioner Pecos replied that everyone receives only the 3% increase. Commissioner Wilson stated that Commissioner Pecos's motion would be to take away the additional increase and the step program. He then asked if the correct amount was \$46,574.

Commissioner Wilson asked for Commissioner Pecos to withdraw his motion and to restate it for clarification. **Commissioner Pecos withdrew his first motion, and made another motion, stating that in the new budget the following positions be excluded from receiving an additional increase: the City Manager, City Attorney, City Engineer, Risk Management Director, Solid Waste Superintendent, Municipal Court Manager, Landfill Supervisor, Water Production Supervisor and City Secretary. Commissioner Wilson stated that the motion is so specific that it does not take into account the step increases for the Police Chief, Fire Chief, Finance Director, Health Director, Accounting Manager, Collections Manager, and Wastewater Supervisor.**

Mayor Fugate called for a 5 minutes recess at 7:15 P.M., in order for the Finance Director to provide new calculations for the Commission.

The Commission reconvened at 7:25 P.M.

Commissioner Pecos made a motion that in the new budget the extra increases for management personnel be removed from the budget for the following positions: the City Manager, City Attorney, Chief of Police, Fire Chief, City Engineer, Finance Director, Risk Management Director, Health Director, Solid Waste Superintendent, Accounting Manager, Collections Manager, Municipal Court Manager, Wastewater Supervisor, Landfill Supervisor, Water Production Supervisor and City Secretary. Commissioner Wilson asked Commissioner Pecos if it was his intention to keep the step program. Commissioner Pecos responded let them keep the step program. Commissioner Wilson clarified Commissioner Pecos's motion stating that the additional increases for the City Manager, City Attorney, City Engineer, Risk Management Director, Solid Waste Superintendent, Municipal Court Manager, Landfill Field Supervisor, Water Production Supervisor and the City Secretary would be removed and the step increases would remain in place. Commissioner Laskowski stated that was not what the motion was. He then asked if it was his intention that the City Manager would be receiving the step increase. Commissioner Pecos replied that all employees will receive the step increase. Commissioner Wilson seconded Commissioner Pecos' motion.

Mayor Fugate called for questions or discussion. Commissioner Wilson stated the motion is only to remove the additional increases, but the step program stays in budget. Commissioner Wilson stated that was not what was calculated by Mr. Rushing. Mr. Rushing replied this could be recalculated. Commissioner Wilson stated it is important to know what the bottom line will be.

Commissioner Garcia voiced his concern about the City falling behind in the area of attracting qualified people when the City has any job opening. He stated that the areas of increase are

fair as presented by Staff. He stated he is looking at the long haul of where the city needs to be. He stated he is willing to take a risk and go in the opposite direction this time.

Commissioner Laskowski stated he has been pushing for step increase program for management employees. He stated that people in management are stuck in rut; don't get increases other than cost of living. He voiced his concern about picking some and not others, which creates a morale issue. He stated he is opened to suggestions to address the disparity that the City has had for a long long time.

Mayor Fugate stated that management was left out for a long time; he stated he would like to have a study to valid what needs to be done. He stated the City would spend about \$25,000 for this study. This study will let them know how poorly they compensate the Staff. He stated he takes the blame for this. He stated he knows it is a tough budget year. He stated that the City Manager's raise was his idea. He stated he is going in different direction of the motion at hand.

City Manager Yerena stated the decision was driven by the financial aspect of our budget. He stated management has done a great job. He stated that in years to come the city would be paying a lot more.

Commissioner Wilson stated there is never a time when this issue has been at critical mass, to truly move forward, put an honest plan into place for the future. He stated that he could not agree more with the Mayor and Commissioner Garcia with what the salary issue is with upper management employees. He stated that for the next budget year, the best course of action to take to put the upper management team on even footing. He stated this is a good political struggle.

Mayor Fugate called for a roll call vote. **The motion was passed and approved by the following vote: Wilson, Laskowski, Pecos voting "FOR". Fugate, Garcia voting "AGAINST".**

Commissioner Laskowski stated he would like to see a plan developed to address management salaries.

Mayor Fugate called for a motion to approve the budget. **Commissioner Laskowski made a motion to adopt the budget as amended, seconded by Commissioner Wilson and Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Wilson, Pecos, Laskowski voting "FOR". Fugate "AGAINST".**

- 18. 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 01, 2006 and ending September 30, 2007, 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. (City Manager).**

Commissioner Laskowski moved that the property taxes be increased by the adoption of a tax rate of 0.68544, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Pecos, Laskowski voting "FOR".

- 19. Consider resolution approving the City of Kingsville's 2006 Tax Roll as submitted by the Kleberg County Tax Assessor-Collector pursuant to the Texas Property Tax Code, Chapter 26, Section 26.09(E). (City Manager).**

City Manager Yerena stated this is a procedural matter.

Commissioner Wilson moved to adopt the resolution was presented by Staff, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".

20. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Water, providing for an increase in Water Rates. (City Manager).

City Manager Yerena stated this is the second reading of an ordinance to increase water rates by 5% per the study conducted by HDR Engineering in the prior year.

Commissioner Laskowski made a motion to adopt final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Water, providing for an increase in Water Rates, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Wilson, Laskowski voting "FOR".

21. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewers, providing for an increase in Sewer Rates. (City Manager).

City Manager Yerena stated is the second phase of a study conducted by HDR engineering, which includes a 9% increase for sewer rates.

Commissioner Pecos made a motion to approve the final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewers, providing for an increase in Sewer Rates, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Laskowski, Pecos voting "FOR".

22. Consider final passage of an ordinance amending the fiscal year 2005-2006 Budget for the City of Kingsville for deficit accounts and year end contractual amounts. (City Manager).

City Manager Yerena stated this ordinance would allow the City to close out the year, which provided for budget amendments and projected estimates.

Commissioner Laskowski asked if the revenue and expenditures needed to be increased by \$2,890 for Keep Kingsville Beautiful. Mr. Rushing responded that was correct.

Commissioner Laskowski made a motion to increase revenue and expenditures by \$2,890 for Keep Kingsville Beautiful fund, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Pecos, Laskowski voting "FOR".

24. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter III, Article 7, Personnel Policies, providing for the fiscal year 2006-2007 employee compensation plan. (Human Resource Director).


Ms Diana Gonzales, Human Resource Director stated that the compensation plan includes changes reflecting management employees. She provided information on position additions and deletions. She stated that management step increases are included. New hourly rate charts are provided.

Commissioner Laskowski stated this implements the step increase program, but would like to take the compensation retro active for 2 years of service.

INTRODUCTION ONLY

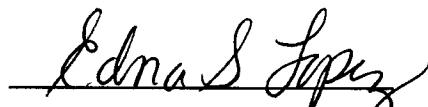
VII. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 8:10 PM



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary