

JUNE 12, 2006

A REGULAR MEETING OF THE CITY OF KINGSVILLE, TEXAS, CITY COMMISSION WAS HELD ON MONDAY, JUNE 12, 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 arrived at 6:10
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
Robert Rodriguez, Library Director
Diana Gonzales, Human Service Director
Jaime Garza, Task Force Commander
Dora Byington, Purchasing Director
Mark Rushing, Finance Director
Dianne Leubert, Solid Waste Superintendent
Jennifer Cantu, Director of Development Services
Bob Daehn, Building Official
Al Lopez, Fire Chief
Ricardo Torres, Police Chief
Ron Pray, Firefighter
Joey Cordero, Firefighter

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the meeting to order in the 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 called for consideration of the minutes of the Special Meetings of May 25, 2006 and June 1, 2006. Commissioner Laskowski made a motion to accept the minutes as presented, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Pecos, Wilson, Laskowski voting "FOR". Garcia "ABSENT".

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

1. Public Hearing regarding condemnation proceedings for structures located at 1217 E Ave C, 1205 E Ave C, 622 E Ave B, 1402 E Corral, and 1229 E Ave C. (Building Official).

The public hearing was opened at 6:06 P.M.

Ms Alvarez stated that in order to be in compliance with the City's ordinance, Mr. Bob Daehn, Building Official would have to report his findings with regard to the violations found with each of the individual structures and whether or not those items were repaired at the end of thirty days notice from the day of receipt. She added that he could present evidence or witnesses on behalf the home; then the

owner can present any witnesses or evidence. Finally, she stated that after all evidence is heard the hearing can be closed.

Mr. Daehn stated that he had identified five houses, four of which had structure damage to the point that they are a safety hazard. He proceeded to provide information on the conditions of the houses and added that a permit has been issued for the remodeling of the house at 626 E Ave B. He ended by saying that basically these houses are deemed unsafe.

Mayor Fugate asked Ms Alvarez if this presentation satisfied the requirements. Ms Alvarez answered that it did, and announced that if anyone wanted to speak this was the time.

The public hearing was closed at 6:10 P.M.

III. Petitions, Grievances, and Presentations.²

1. Comprehensive Annual Financial Report of the City of Kingsville by Mr. Luke Womack of John Womack & Co., P.C. (City Manager).

Mr. Patrick Moore stated the reason for both him and Mr. Womack working together is that Mr. Womack helps the City in all sorts of ways throughout the year which perhaps impairs his independence as it relates to the issuance of an actual audit. Mr. Moore added that he comes in to have the actual audited financial statements issued under his firm's name. He provided information on some of the highlights of the Comprehensive Annual Financial Report. He pointed out information on several pages and provided information by giving the page number and a brief explanation for each. He explained that page 29 as being most familiar on how the City operates; and added that this is simply a balance sheet of variety of different funds which is the operating fund of the City, the General Fund. He explained the fund balance which is reserved for Capital Outlay which is simply a fund balance that is equity which was set aside to be used for Capital Outlays. He stated that this year this is at \$1.4 million, last year it was about \$2 million, about \$600,000 was spent, so this particular reserve has dropped. The unreserved and undesignated is a free fund balance which is at approximately \$2.7 million, last year it was at \$1.6 million, so it is up about \$1 million. Another highlight is that the Police forfeiture fund broke even, about \$30,000 of equity. The fund balance in the Debt Service Fund is \$108,000. He stated that revenues in the operating fund are the same as last year, however total expenditures are about \$11.5 million, last year it was \$12,175,000, so expenses are down about \$640,000. He provided information on the deficiency of revenues under expenditures. Deficits were replenished from transfers in primarily from the Utility Fund. This year the Utility Fund was much stronger so monies were transferred in. Net change and fund balance is about \$420,000, last year it was a deficit. Nonetheless, in the General fund the City had an increase, total Revenues and other financing sources over expenditures of about \$400,000. Mr. Moore stated that Mr. Womack would explain the insurance fund which essentially broke even and its net assets are only \$11,000. A key component, the cash flow statement for the Utility Fund under net cash provided by operating activities, last year this was at about \$1.3 million, this year it is at \$2.2 million, up \$900,000. Finally, he stated there is a lot of detailed information in this report and added that in his opinion the internal controls compliance for the City found a material weakness.

Mr. Womack addressed the Commission, stating that basically there was no Finance Director and the Finance Department was not fully staffed. The good news is that financially a homerun was hit last year. The City is in excellent shape with \$1 million added in the General Fund and \$500,000 to the Utility Fund. He added that half of it was good management and the other half was pure luck. He stated that the City Manager can take a lot of credit for the management side. Finally, he stated the financial aspects of the City are excellent. With regard to the insurance fund, unreserved jumped \$1 million, he stated that \$500,000 could be moved into the insurance fund, or whatever the amount that the Commission wanted to move.

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

Mayor Fugate called for the City Manager's report. City Manager Yerena reported Staff is holding Emergency Management meetings, and will be hosting several sessions for the NIMS Courses in order to get Department Heads certified. Finally, he reported on the emergency sirens being tested on Wednesdays.

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

Mayor Fugate called for the City Attorney's report. Ms Alvarez reported that the Emergency Management Coordinator has advised that the City needs to designate a Donations Coordinator. She also reported on the KLEA Ball to be held at the University this Saturday.

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

Mayor Fugate called for the City Commission's reports. Commissioner Garcia expressed thanks and gratitude to the City Manager for his leadership and role during the financial condition of the City and thanked all employees for their sacrifices. Mayor Fugate stated that he had overlooked thanking the City Manager who is the driving force behind this financial report and added that he would like to see a raise and insurance needs to be addressed.

IV. Public Comment on Agenda Items³

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

Mr. Ron Pray, representing Fire Fighters Local #2390 commented on the lack of manpower at the Fire Department.

Mr. Joey Cordero, member Fire Fighters Local #2390 commented on the ambulance staffing and equipment.

V. Consent Agenda

NONE

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

1. **Swearing-in and official oath of newly elected Mayor. (City Commission).**

County Judge Pete DelaGarza officiated over the ceremony. Mayor Fugate recited and signed the Statement of Elected Official, followed by the Official Oath of Office.

2. **Consider three appointments to the Historical Board. (Director of Development Services).**

Ms Jennifer Cantu, Director of Development Services stated the board is made up of nine members. Currently there are six members, leaving three vacancies. Enclosed are resumes of three citizens that have expressed an interest to serve on this board. The citizens are: James Glusing, Phyllis Elsik and Nancy Bryant.

Mayor Fugate called for a motion. **Commissioner Laskowski made a motion to nominate, James Glusing, Phyllis Elsik, and Nancy Bryant, seconded by**

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

3. Consider resolution authorizing the City Manager to enter into an amendment to the Collective Bargaining Agreement between the City of Kingsville, Texas and the International Association of Firefighters Local #2390. (City Manager).

City Manager stated that this basically would be an amendment to the Contract. This would allow the City to hire as entry level fire fighters, individuals who are certified Emergency Medical Technicians. This would be an advantage to the City because if they are certified, the City will not need to train them. He added that the Union has agreed.

Commissioner Garcia asked Chief Lopez if the City would accept certified fire fighters from other states. Chief Lopez answered that there is a process defined as reciprocity which goes through the Texas Fire Commission. Their education is checked; if criteria are met then they are certified.

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

4. Consider removing from the table authorizing the Mayor to enter into a Water Pass Through Contract with South Texas Water Authority. (City Attorney).

Commissioner Wilson made a motion to remove this item from the table, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".

5. Discuss and consider authorizing the Mayor to enter into a Water Pass Through Contract with South Texas Water Authority. (City Attorney).

Ms Alvarez noted a few items that were updated from a prior meeting. She then asked for questions in regard to the memo or agreement.

Commissioner Laskowski asked Mr. Rushing if he had an opportunity to look at this and the basis being utilized to calculate this pass through cause. Mr. Rushing answered he had. Commissioner Laskowski recommended including language that the Authority has to have a signed contract with the customer being provided the service to.

Commissioner Wilson stated this could be concluded with, for which they have a signed contract.

Ms Alvarez stated she could see where the language would work, but this would not be a determining factor on the success of the contract.

Mayor Fugate asked for City Manager Yerena's recommendation. He stated the City Attorney has done a good job putting this together, and has no problem. Ms Alvarez stated this would be beneficial to all parties involved to have a new contract in place.

Mayor Fugate called for a motion. **Commissioner Wilson made a motion to authorize the Mayor to enter into a Pass Through Contract with the South Texas Water Authority, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".**

6. Consider condemnation of structure located at 1217 E Ave C. (Building Official).

Mr. Daehn stated this house is in an unsafe condition and violates City ordinance. Property owner has requested an extension of six months to demolish the house.

Mayor Fugate requested that from now on, Mr. Daehn provide the property owners name.

At the Mayor's request, Ms Alvarez provided the procedure and timeline for demolishing the house. Mayor Fugate suggested taking this a little further by foreclosing on the property.

Commissioner Laskowski asked if there is money in the budget for this demolition. City Manager Yerena replied Staff is working to get the owner to demolish the structure and is looking at ways to minimize the cost for the demolition by working with two entities, the National Guard and a Private Contractor. He added that there is approximately \$15,000 set aside.

Mayor Fugate called for a motion. **Commissioner Wilson stated he was not quite sure of the structure of the motion, but would move to find the property unrepairable and a building or structure that is unsafe and violates our City ordinance, cannot be corrected without substantial reconstruction, and declare that the structure is a public nuisance and order its demolition no later than 90 days from today, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Garcia, Wilson voting "FOR".**

Ms Alvarez stated an order will be prepared for the Mayor's signature on behalf of the Commission, which will be sent to the property owner.

7. Consider condemnation of structure located at 1205 E Ave C. (Building Official).

Mr. Daehn stated this house is in need of serious repair, and a neighbor indicated that people were going in and out of there, but saw no signs of drug use. The house was found unsafe, violates ordinance, and has been previously condemned by City/County Health Department. This is a vacant house.

Commissioner Laskowski made a motion that the Commission finds that this house is not able to repair: a) building or structure is unsafe; and b) present condition is in violation of ordinances; c) cannot be corrected without substantial reconstruction; then declare that this building or structure to be public nuisance and order its demolition by owner/agent in charge within 90 days from today, seconded by Commissioner Garcia. Mayor Fugate called for questions or comments. Commissioner Laskowski stated it would be advantageous for the Commission to receive all the correspondence with these individuals. The motion was passed and approved by the following vote: Fugate, Wilson, Pecos, Garcia, Laskowski voting "FOR".

8. Consider condemnation of structure located at 622 E Ave B. (Building Official).

Mr. Daehn stated that on Friday, the owner of this structure was issued a permit. The owner has made some repairs. Mr. Daehn stated that he is not recommending condemnation at this time, as the individual is making an effort to bring it up to code. The owner has 180 days to achieve the work. The owner has stated he does not have a problem with that timeline.

Mayor Fugate asked about the procedural matter for this item. Ms Alvarez stated the Commission could pass it over since there is a permit in place, or secondly, the option could be that there is a finding that it is repairable and essentially give the

property owner 6 months from June 9th, when the permit was pulled in order to get the work done. If the property owner does not comply with that permit, the Commission does not have to come back and go through a second hearing and action item in order to require the demolition.

Commissioner Wilson made a motion that the property is deemed repairable, yet it is structurally unsafe currently present conditions, it is a violation of our ordinances, and steps are being taken to remove or correct the conditions causing the building or structure to be unsafe. They are specifying measures to be taken by the owner to remedy that by taking out a permit to repair of the home and remodel, and the owner/agent/or person in charge is ordered to correct the conditions within 180 days from the date of the permit that was taken out to remodel the property, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".

9. Consider condemnation of structure located at 1402 E Corral. (Building Official).

Mr. Daehn stated he received a call from Ms Maria Martinez, he returned the call but has not been able to locate her. This house has large amounts of construction debris behind the house, approximately 10 ft high and 75 feet across. Debris is not from this house. This house is unsafe, violates ordinances, and is a nuisance. The house is vacant.

Mayor Fugate called for a motion. **Commissioner Garcia made a motion that the Commission finds the property is unrepairable, building or structure is unsafe, that the condition of the property is in violation of ordinances, and the condition cannot be corrected without substantial reconstruction and declare the building and the structure to be a public nuisance, and order its demolition by either the owner/agent or person in charge within a 90 days period, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Wilson, Garcia voting "FOR".**

10. Consider condemnation of structure located at 1229 E Ave C. (Building Official).

Mr. Daehn stated this property has two structures that are substandard. The primary house has ruttet out windows and siding. The other house is dilapidated. The houses are unsafe, pose a public nuisance, a lot of money is needed to rehabilitate them, and violates City ordinances. The houses are vacant.

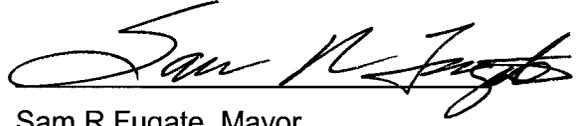
Mayor Fugate called for a motion. **Commissioner Wilson made a motion that the property at 1229 E Ave C be deemed unrepairable, structures are unsafe, they present a condition that are a violation of the City's ordinances, could be corrected with substantial reconstruction, and declare them to be a public nuisance, and order that they have 90 days to demolition and remove the debris, seconded by Commissioner Pecos. Commissioner Wilson made a correction that his motion be the structures.**

Mayor Fugate commended Mr. Daehn for his work and once again asked that owners' names be provided to make sure everyone knows who owns these properties. He stated that if you own property in the City of Kingsville you will take care of and make it look nice.

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

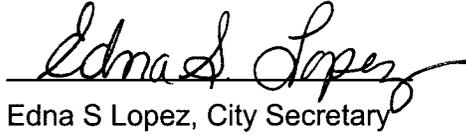
VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:28 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary