

JUNE 11, 2007

**A REGULAR MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON MONDAY, JUNE 11, 2007 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 - arrived at 6:10 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  
Al Lopez, Fire Chief  
Bill Donnell, Public Works Director  
Dora Byington, Purchasing Director  
Joe Casillas, Water Production Supervisor  
Art Alvarez, Risk Manager  
John Garcia, Garage Superintendent  
Dianne Leubert, Solid Waste Superintendent

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate called the meeting to order in the City Commission Chambers at 6:00 P.M. and announced quorum was present.

**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 May 28, 2007. **Commissioner Laskowski made a motion to accept the minutes, as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski voting “FOR”. Wilson “ABSENT”.**

**II. Public Hearing - (Required by Law).<sup>1</sup>**

NONE

**III. Petitions, Grievances, and Presentations.<sup>2</sup>**

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

Mayor Fugate called for the City Manager's report. City Manager Yerena reported on City Secretary Edna S Lopez completing her written exams toward her State Certification of City Secretary; he reported on the kick-off for the free smoke alarm program for citizens on June 19<sup>th</sup>; on Safety Week, the week of June 25<sup>th</sup> – 29<sup>th</sup>, and on the tentatively date of August 3<sup>rd</sup>, for the City's family picnic.

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

Mayor Fugate called for the City Attorney's report. City Attorney Alvarez thanked Staff that helped with the setting up of the JLUS Public Hearing and meetings, she also thanked the citizens for their participation; she reported that the next collective bargaining meeting with the Fire Department is scheduled for the end of June and announced that Staff is working on dates

with the Police Union. She reported that she will be attending a City Attorney legislative updates seminar regarding City issues. Finally, she reported that a meeting with the County will be held to discuss the hiring of an Election Administrator.

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

Mayor Fugate called for the City Commission's reports. Mayor Fugate reported Thursday night is Kingsville Night at the Hooks game.

**IV. Public Comment on Agenda Items** <sup>3</sup>

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

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

Mr. Bill Aldrich, 236 Pasadena, spoke in favor of agenda items #4 & 5.

Mayor Fugate called for consideration of the Consent Agenda Items 1-3.

**V. Consent Agenda**

**1. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 6.05 Acres out of K.T. & I., Block 3 Part of Farm Lot 10, from AG Agriculture to R-1 Single Family. (Interim Director of Development Services).**

**2. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 2.38 Acres out of Haggerton Addition Lot 4, from AG Agriculture to R-1 Single Family. (Interim Director of Development Services).**

**3. Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter X, Article 3, Traffic Control Devices; providing for the installation of stop signs on Brook Lane at Paulson Falls Boulevard for east and west bound traffic. (Public Works Director).**

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

**REGULAR AGENDA**

**CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:**

**VI. Items for consideration by Commissioners.** <sup>4</sup>

**4. Consider final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 0.50 Acres out of K.T. & I., Block 20 Part of Farm Lot 1, from I-1 Light Industrial to MH Mobile Home. (Interim Director of Development Services).**

Mr. Bill Donnell provided information on the location of the property. He stated that letters were sent and no responses were received in opposition of the rezone application. Commissioner Laskowski asked if this was considered a mobile home subdivision when the original plat was submitted. Mr. Donnell replied it was named South Loop Estates Phase I, and added that the mobile home is the zoning and there is no variance between subdivisions. Commissioner Laskowski asked about regulations and requirements, especially sidewalks. City Attorney Alvarez provided information regarding sidewalks for general subdivisions and stated that she would have to see if it applied to mobile homes. She added that she did not know if the former City Engineer or former Director of Development Services had taken the sidewalks into account.

Mayor Fugate called for Staff's recommendation. Mr. Donnell stated this was part of the initial mobile home rezoning and was intended to be rezoned mobile home at that time. He stated that his recommendation is to approve this rezone.

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

**5. Consider final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 0.50 Acres out of K.T. & I, Block 20 Part of Farm Lot 1, from AG Agriculture to MH Mobile Home. (Interim Director of Development Services).**

Mr. Donnell provided location of the lot, stated that water is available and letters were sent out to adjacent property owners. He stated this was not part of the original rezoning.

Mayor Fugate called for questions or comments. Commissioner Laskowski stated that if this is approved the landowners could come back piece by piece and continue to subdivide the lots at a time. He stated Planning and Zoning's concern was that the rezone was not a total of five acres. Commissioner Wilson stated that according to the way the ordinance is written it requires a minimum of five acres to plat. City Attorney Alvarez provided information regarding requirements.

Commissioner Laskowski asked if the five acres are rezoned from Ag to Mobile Home, can the landowner at a later date get the zoning changed back to Ag. City Attorney Alvarez stated they would have the option to apply but no guaranteed to have it approved.

Mayor Fugate called questions or comments. He then called for Staff's recommendation. Mr. Donnell stated this does not meet City ordinance.

Commissioner Garcia stated he was getting the impression that the City does not want to develop this area for mobile homes. Mayor Fugate stated this was not the intent of the original plat.

Commissioner Laskowski voiced his concern about allowing the property owner to do this lot, because this would set precedence to allow them to do more. Mayor Fugate stated the Commission needs to follow the rules.

Mayor Fugate called for questions or comments. Mayor Fugate called for a motion.

**This item died for a lack of motion.**

**6. Consider final passage of an ordinance authorizing the issuance of "City of Kingsville, Texas Public Property Finance Contractual Obligations, Series 2007"; levying an Ad Valorem Tax for the payment thereof; and other agreements and matters related thereto. (City Manager).**

City Manager Yerena announced Ms Ann Burger-Entrekin was available for a presentation. Ms Entrekin provided the Commission with a Transaction Summary booklet. She stated modifications have been made since the last meeting. She provided information on the volatility in the market. She explained two scenarios, the ability to evaluate a bid for \$770,000 and a bid for \$1.2 million. She stated that a non-callable option was looked at and an option with a five year call. She explained information regarding the bids received from Bank of America, Frost National Bank, Houston Community Bank, Wells Fargo and Baystone Financial Group. She

stated that all banks gave a non-callable and callable option. She stated that under the non-callable option the best bid came from Bank of America, a flat rate of 4.11%. In the five year call, Houston Community Bank had a flat rate of 4.27%. Ms Entrekin explained the Make Whole Provision which gives the City the ability to pre pay at any time and prepayment is based on market conditions. She explained comparison bids for \$770,000 from Bank of America versus Houston Community Bank. Ms Entrekin recommended the City go with the non-call option. She provided information on the estimated interest rates and average annual debt service. Ms Erkstein stated the booklet had information regarding the bids received and the process and feedback of the bids.

City Manager Yerena stated staff has a recommendation for the purchase of two garbage trucks, residential and commercial, and if monies are leftover the City would purchase some containers. Mr. Donnell provided information on retrofitting another truck to serve as a back up.

City Attorney Alvarez announced that this is an actual ordinance for passage of the issuance and stated that the blanks in the ordinance will be filled in by Bond Council once the Commission takes action. She stated it would be beneficial to state \$1.2 million for a fire truck and garbage collections trucks and cans, which would allow Staff the flexibility that once the fire truck purchase is made to see what funds are left, and the City could then go out for bids for the garbage collection trucks. She stated that by wording it this way, it would not be limited.

City Manager Yerena stated that as part of the equation that Staff was looking at is the cost of the units, approximately \$250,000. Ms Dianne Leubert, Solid Waste Superintendent stated Staff did a preliminary search and found a complete truck would cost about \$160,000. Mr. John Garcia, Garage Superintendent stated this would be a lighter truck.

Commissioner Pecos asked about purchasing a different type of container. Ms Leubert stated the containers being used are no longer being sold. She stated that these new containers are taller and slightly larger. Commissioner Laskowski asked which trucks, the residential or commercial trucks, are costing so much money. Mr. Garcia stated it a combination of both, the trucks are old. Commissioner Laskowski suggested dumping the trucks that are costing the City a lot of money. Ms Leubert stated that the residential trucks are priority. Mr. Garcia stated their recommendation is to purchase two residential trucks and one commercial.

Commissioner Pecos stated that he was under the impression from the last meeting that the City was looking at purchasing three trucks. Mayor Fugate stated the motion should be worded in such a way that City staff be able to spread the monies as far as they can.

**Commissioner Laskowski made a motion to authorize the City Manager to go out and borrow \$1.2 million, to include the purchase of one (1) ladder truck, garbage trucks and rollouts, and that the City get the money from Bank of America non-callable, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Wilson, Laskowski voting "FOR".**

**7. Consider introduction of an ordinance amending the Fiscal Year 2006-2007 Budget for the City of Kingsville for Water Infrastructure Projects, Water Well #23 and Water Well #24, to come from CO 2005 Utility Fund Interest Revenue. (City Manager).**

City Manager Yerena stated this would provide additional funding for professional services for Water Well #23 and #24, to come from the interest revenue.

Mayor Fugate called for questions or comments. Commissioner Laskowski asked if the City had a set of plans for the pump house, Water Well #23 and asked what the problem was with the plans. Mr. Donnell replied that the bid specs were not clear on the plan. Commissioner Laskowski stated that the bid specs needed to be cleared up. He stated that a plan was needed for the other well to be submitted to TCEQ. He stated that Well #23 was done in-house. He stated \$50,000 was a lot of money for Engineering Services for a water well and for changing some bid specs on a project. Commissioner Laskowski voiced his opinion about taking the

monies from the salary not being utilized for the City Engineer position. He voiced his concern about running short on money.

City Manager Yerena stated monies could be taken from the general fund, but there could be unexpected expenses. Mayor Fugate asked for the City Manager's recommendation. City Manager Yerena replied that the intent of monies was for the utilization for the performance of the water wells. He stated that from an administrative point of view, it is better to take the monies from the CO's, which the original intent of the money.

## INTRODUCTION ONLY

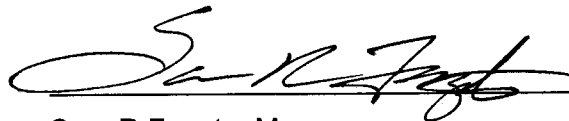
The Commission convened into Executive Session at 7:00 PM

**8. Executive Session: Under Section 551.071 of the Texas Open Meetings Act, the City Commission shall convene in executive session to seek legal advice from the City Attorney regarding pending litigation concerning the City of Kingsville v. South Texas Water Authority, No. 07-053-D, in the 105<sup>th</sup> District Court of Kleberg County, Texas. (City Attorney).**

The Commission reconvened into regular session at 7:19 P.M. Mayor Fugate announced no votes were taken.

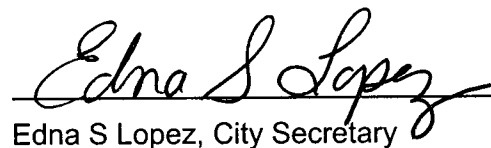
## VI. Adjournment.

There being no further business to come before the City Commission the meeting was adjourned at 7:19 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary