

SEPTEMBER 24, 2007

**A REGULAR MEETING OF THE CITY OF KINGSVILLE, TEXAS CITY COMMISSION WAS HELD ON MONDAY, SEPTEMBER 24, 2007 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL / 200 EAST KLEBERG AVENUE AT 5:15 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  
Edna S Lopez, City Secretary  
Courtney Alvarez, City Attorney  
Mark Rushing, Finance Director  
Al Lopez, Fire Chief  
Steve Palacios, Firefighter  
Joey Cordero, Firefighter  
Terry Valentine, Firefighter  
Frank Garcia, Wastewater Supervisor  
Dora Byington, Purchasing Director  
Ricardo Torres, Police Chief  
Diana Gonzalez, Human Resource Director  
Mando Sandoval, Firefighter  
Armando Gutierrez, City Engineer  
David Guerra, Firefighter  
Fidel Gonzalez, Interim Task Force Commander  
Bill Donnell, Public Works Director  
Caron Vela, Accounting Manager  
Dianne Leubert, Solid Waste Superintendent  
Yolanda Cadena, Health Director  
Jennifer Vela, Litter Abatement Officer  
John Garcia, Garage Superintendent  
Y I Hinojosa, Street Field Supervisor

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate called the workshop to order in the Commission Chamber at 5:15 P.M., and announced quorum was present.

**CONVENE INTO PETITIONS, GRIEVANCES, AND PRESENTATIONS – ITEM III - #1/WORKSHOP SESSION REGARDING AMERICAN MEDICAL RESPONSE PROPOSAL FOR AMBULANCE SERVICES.**

City Manager Yerena stated that AMR representatives, the ambulance service provider that submitted a proposal for the RFP were available to answer questions. Finance Director Rushing explained the information that was provided on a spreadsheet regarding revenue projections, supplies, and salaries & wages. He stated he has visited with the City's Auditor Mr. Luke Womack who was involved in the evaluation of this RFP. He further provided information on some of the factors. He stated that a significant element is whether or not the City would be adequately able to reduce the salary cost of six positions. He added that this may be a contractual issue. He stated that Alexander Billing is not a factor. He stated that two scenarios for billing were examined. He stated that AMR has a 15% markup on their investment. He stated that he posed the question to AMR if revenues come in higher than expected would they share in reducing the subsidy that the City would have to pay. He stated there was an issue discussed because of the laws concerning kick-backs; the City would have to be very selective in the wording when entering into a contract. Finance Director Rushing suggested updating the City's fee structures. He stated that AMR in their bid structured the revenue increases based on increasing the pricing into their scenarios. Based on the bids received, Finance Director Rushing stated that contracting for ambulance services would not be in the best interest of the City in moving forward. He stated there was a concern regarding the first responder, in which

AMR would not be the first responder. Fire Chief Lopez stated there was a concern with the approximate eight minute response time. He further explained that eliminating positions would cause a big problem for fire suppression in the fire department. Upon a question from Commissioner Laskowski, Fire Chief Lopez stated the ambulance crew at the scene is used at the scene as needed.

Mayor Fugate called for AMR Representatives to address some of the issues being addressed. Upon a question from Commissioner Wilson, the AMR Representative replied their ambulances would be spread throughout the City. Regarding the temperature control facility, the AMR Representative stated medication would be maintained correctly. Mayor Fugate asked how the City's RFP rated. The AMR Representative replied the ambulance response time was based on a fire standard response time. He stated the proposal integrated other ideas of responding. Mayor Fugate stated that City staff's position is that this is not cost effective. The AMR Finance representative stated the 15% is there for a profit. Regarding the first responder, this was proposed because of what was in the RFP's response time. Commissioner Laskowski asked about sharing the station. The AMR representative stated if this occurred the cost would come down. Fire Chief Lopez stated the fire house is filled to capacity with personnel. Finance Director Rushing stated at this point it is not economically feasible. City Manager Yerena stated that the Auditor made the same assumption. Finance Director Rushing stated fire and ambulance is a good fit for utilization.

Mayor Fugate closed the workshop at 6:04PM

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

Mayor Fugate called the regular meeting to order at 6:04 P.M, and announced quorum was present.

**INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)**

The invocation was delivered by Ms Dora Byington, Purchasing Director, 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 17<sup>th</sup>, 2007. **Commissioner Pecos made a motion to approve the minutes. Commissioner Laskowski stated he had a correction regarding a statement made by Commissioner Wilson. Commissioner Pecos withdrew his motion. Commissioner Laskowski made a motion to accept the minutes, as amended, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Pecos, Laskowski voting "FOR".**

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

1. A Public Hearing to rezone a property from R3 Multi-Family District to C2 Retail Commercial District, located at 5<sup>th</sup> Addition, Block 7, Lots 17-19, located at 313 S 12<sup>th</sup> Street, Steven & Venus Treft applicants, which is now being recommended for a more restrictive use to C1-Commercial District with a Special Use permit for a self service laundry.

Mayor Fugate opened the public hearing at 6:07 P.M., and announced this is an opportunity for anyone to come and speak on the subject for five minutes which can not be extended.

City Engineer Gutierrez stated that this item was initially proposed as a C2 to accommodate the laundry mat. The Planning & Zoning Commission recommended a C1 with a special use permit to allow the laundry mat. He stated there is an existing 3500 sq ft building being used as a laundry mat and the rest is used as multi-family. He stated the proposed improvements are for a carport.

Mayor Fugate called for questions or comments. Mayor Fugate closed the public hearing at 6:10 P.M.

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

1. Workshop/Discussion regarding American Medical Response proposal for ambulance services. (City Manager).
2. City Manager's Report. (City Manager).

Mayor Fugate called for the City Manager's report. City Manager Yerena reported that the KWOP projected that is in progress has demolished 21 unsafe structures and Media Day will be on Wednesday, September 26<sup>th</sup> at 10:00 A.M. Mayor Fugate called for comments or questions. Commissioner Laskowski commented on the problems with the hauling of debris from these structures.

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

Mayor Fugate called for the City Attorney's report. City Attorney Alvarez reported on the City's Family Picnic on Friday; and meeting with Fire Union.

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

Mayor Fugate called for the City Commission's reports. There were no reports.

### 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.

Ms Eva Bartuck, 415 W Santa Gertrudis, spoke about some dilapidated houses in her neighborhood.

Mr. Ray Perez, 1269 E King, spoke against the proposed private ambulance services.

Mr. Ricardo Vega, 805 W Kleberg, spoke against the increase in property taxes.

Ms Virginia Frenzel, 1249 W Henrietta, spoke against the increase in property taxes.

Mr. Wesley Goetsch, 523 General Cavazos, spoke against the increase in property taxes.

Ms Beverly Nielson, 502 Jay Vee, spoke against the increase in property taxes.

Mayor Fugate called for consideration of the Consent Agenda, Items 1-4.

### V. Consent Agenda

1. Motion to approve a resolution authorizing participation in the Office of National Drug Control Policy HIDTA program for Law Enforcement personnel overtime, services, and supplies; Authorizing the Chief of Police to act on the City's behalf with such grant. (Police Chief).

Police Chief Torres stated the department has been asked to participate in this grant. He provided monetary information on seizures that have come from these grants.

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

**2. Motion to approve a resolution authorizing participation in Operation Border Star with the Texas Border Security Operations Center for Law Enforcement Personnel and Dispatcher overtime, and fuel costs; Authorizing the Chief of Police to act on the City's behalf with such program. (Police Chief).**

**3. Motion to approve 2007-2008 Budget and Media/Marketing Plan for the Kingsville Convention and Visitors Bureau. (KCVB Director).**

**4. Motion to confirm the appointments for Mr. Alton Remmers and Mr. Joe Morales to the Board of Directors for the Kingsville Convention and Visitors Bureau. (KCVB Director).**

Commissioner Laskowski requested Consent Agenda Item #1 be removed for discussion. Commissioner Garcia made a motion to approve Consent Agenda, Items 2, 3, & 4 and remove Item #1, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Wilson, Garcia voting "FOR".

## **REGULAR AGENDA**

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

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

**5. Discuss status of the City of Kingsville Master Plan by Kendig Keast Collaborative. (City Manager).**

Ms Naina Magon, Kendig Keast Collaborative representative stated the plan is at the 60% completion point. She stated they have submitted to the City 4 out of 7 plan elements, including an introduction vision. They have been working with an advisory committee from day one. She stated there are three remaining chapters to submit and there is one more advisory committee meeting scheduled. Ms Magon stated the final step is a joint workshop/meeting with the Commission and the Planning & Zoning Commission. She stated the City will receive a document with a series of goals and the implementation is the most important part of the plan. She pointed out key issues that have been addressed which include the protection of land around the naval air station, quality housing and housing options, community appearance and corridor appearance, revitalization of downtown and the University area, and finally, the need for more amenities.

Mayor Fugate called for questions or comments.

**6. Consider a resolution nominating certain person(s) as candidate(s) for election to the Board of Directors for the Kleberg County Appraisal District. (Mayor Fugate).**

City Manager Yerena stated that several entities have been approached for consideration of giving the city their votes.

Mayor Fugate called for a motion. Mayor Fugate made a motion to nominate Commissioner Al Garcia as a candidate to the Board, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Pecos, Laskowski voting "FOR". Garcia "ABSTAINED".

**7. Consider a resolution authorizing the City Manager to enter into a Collective Bargaining Agreement between the City of Kingsville, Texas and the Kingsville Law Enforcement Association for Fiscal Years 2007 through 2010. (City Manager).**

City Manager Yerena called for the Human Resource Director to address the Commission. Human Resource Director Gonzalez stated six meetings with the Police Union were held and this is a three year proposal. She provided information on items that would have a monetary impact. She stated the proposal for wages calls for (0%) the first year, 3% the second year, and 3% the third year. She added there is an increase for shift differential pay. Mayor Fugate called for questions or comments. Commissioner Pecos asked for total figures for the three years. There was discussion on the salary increase amounts.

Mayor Fugate called for a recess so the Finance Staff could provide the information on salary increase amounts.

Mayor Fugate called the meeting back into session.

Finance Director Rushing provided monetary information for each increase level of 1%, 2%, and 3% which lead to a lengthy discussion.

Mayor Fugate stated all employees will be treated equally. As point of order, Commissioner Wilson stated the Commission is deviating from this item by discussing the budget.

City Attorney Alvarez provided historical information on previous raises for all employees.

Mayor Fugate called for comments or questions. Commissioner Garcia commented that non-Union employees have no representation, and there is no fairness when raises are awarded. He stated it is important to work together to be fair to all City employees.

**Commissioner Pecos made a motion to accept this Collective Bargaining Agreement, seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Laskowski, Wilson, Pecos voting "FOR". Garcia "AGAINST".**

**8. Consider introduction of an ordinance amending the Zoning ordinance to rezone a property from R3 Multi-family District to C1 Commercial District with a special use permit for a self-service laundry at 313 S 12<sup>th</sup> Street, Lots 17-19, block 7, 5<sup>th</sup> Addition. (Interim Director of Development Services/City Engineer).**

City Engineer Gutierrez stated this is the same item that was discussed at an earlier public hearing. He stated the owners would like to add a carport behind the laundry mat. He stated the initial request was for a C2 to allow the laundry mat, but was reduced to a C1 with a special use permit to allow a laundry mat. He stated that the Planning & Zoning Commission voted unanimous, 7-0 to approve the rezone.

**INTRODUCTION ONLY**

**9. 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, 2007 and ending September 30, 2008, in the particulars hereinafter stated. (City Manager).**

City Manager Yerena stated that the Commission has the most updated package of the budget. Finance Director Rushing stated the items for the Police Department have not been posted to the recap. He provided information on the net receipts over disbursements for General Funds, net receipts for the Utility Fund, and the Task Force net receipts over disbursements.

Mayor Fugate called for questions or comments. Commissioner Laskowski voiced his concern about the transfer from the 2002-2002A Certificates of Obligation interest account for paving materials for streets. He voiced his concern about not having enough monies for the drainage project at Carriage Park. He stated he has a problem with raising the taxes to the highest rate ever. He stated the budget is being balanced with the interest of borrowed monies which concerns him. He provided historical finance information.

Regarding Commissioner Laskowski's comments, Mayor Fugate stated that most of the increase in taxes will be for a pay raise for employees and stated that the Commissioner had just voted for a contract that doesn't raise taxes this year, but the next two years it might. He stated most money raised has been reinvested back to the employees, which is long overdue. He stated that before this Commission, employees had gone without a raise for five years. Mayor Fugate asked Commissioner Laskowski if he didn't feel that the employees should receive a raise. Commissioner Laskowski replied that was not his position. Mayor Fugate further explained that the City is stepping up to finance the City/County joint departments. He stated that the City does not have a choice, but to raise taxes. Commissioner Laskowski stated that he would like the citizens to know that the City is subsidizing Kleberg County by \$48,000 to pay for half of their half for what they are not contributing to the Health and Library departments. In that regard, Mayor Fugate stated that no one is happy about having to do this but this year there is no choice. City Manager Yerena stated that last year \$150,000 from the CO's was subsidized for streets and this year monies would be there from the general fund. He stated that in the last few months the sales tax has staggered. He added that Staff has consolidated several departments to be more efficient. Commissioner Laskowski reiterated his concerns. He suggested making an adjustment to the fund balance to reflect a more realistic fund balance. Finance Director Rushing provided an explanation on the analysis of this budget. Upon a question from Commissioner Laskowski, Finance Director Rushing stated the fund balance last year for net receipts over disbursements was approximately \$69,000 and added that there are a lot of economic negatives for 2007-08. The unencumbered unrestrictive fund balance at the end of 2005-06 was approximately \$2.6 million. Commissioner Wilson stated that he couldn't imagine that the Police Union did away with their 3% raises and asked if it was not their intention for the City to take the money and act reasonably with it. He stated the City has some issues globally that will impact the City. He stated the prudent thing to do is to take approximately \$61,000 off the bottom line which would leave about \$100,000. Commissioner Laskowski corrected the amount. Commissioner Wilson stated that the City needed to act in good faith which he believes is the Police Unions' motivation. He stated that the fund balance amount would increase if the Firefighters act in the same prudent way as the Police Officers. Finance Director Rushing stated the net receipts over disbursements total was actually \$149,849.

Mayor Fugate called for further comments.

Mayor Fugate stated Staff does a great job to stay within budget. City Manager Yerena stated that staff has done what they can.

In order to afford the project at Carriage Park, Commissioner Laskowski stated he would like to keep one cent from the two cents in order to keep from taking monies from the Certificate of Obligations. Mayor Fugate stated the budget could remain the same with the understanding that's what the Commissions' intent is. Commissioner Laskowski stated that if the budget is adopted it includes a transfer from the CO 2002-2002A. Finance Director Rushing stated this is not technically a transfer. He added that this would be presented to them in order to reallocate funds.

Mayor Fugate called for further questions or discussion. He called for a motion. Commissioner Wilson stated he was not sure how to formulate the motion. He stated that he was trying to accomplish removing that money, \$61,000, from the budget and have the budget's revenue over expenditures reflect that amount so that later on the City can affix a tax rate and vote on a tax rate that will fund the budget at that level. He added that the ultimate result would be a reduction in the tax rate that is predicted. He added that he would approve a larger sum but would allow the buffer for the reallocation that may or may not happen later on in the new fiscal year. Finance Director Rushing offered the following information, for the general fund total

disbursement, \$12,913,803, and the net receipts over disbursements for the general fund, \$211,553.

Upon a question from Commissioner Wilson, City Attorney Alvarez explained that the language for approving the budget is not as specific in the motion, and added that there is just specific language required for the motion on the tax rate. She stated that the Commissioner was correct in stating that whatever budget is adopted drives the tax rate that will be considered later during this meeting. She added that Staff understands where this is going and the Commission might need to take a break.

Mayor Fugate called for a recess to allow staff to recalculate their numbers and to contact the Tax Assessor Collector.

Mayor Fugate called the meeting back to session.

Mayor Fugate called for further discussion. Commissioner Wilson stated that Staff would have to change the language in Section Three. City Attorney Alvarez stated for a tax rate of \$.76781 Section Three would read the sum of \$21,223,239 is hereby appropriated for the budget revenues and expenses in the amounts shown on the attached Condensed Statement of all Operating and General Obligation Debt Service Funds. She stated the other numbers in the section will not change. Commissioner Wilson asked if any other section needed to be addressed. City Attorney Alvarez replied not in this ordinance.

**Commissioner Wilson made a motion to adopt the annual budget with the sum of \$21,223,239, seconded by Commissioner Laskowski. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".**

**10. Discuss and consider ratifying the property tax increase reflected in the 2007-2008 Annual Budget of the City of Kingsville. (City Manager).**

City Attorney Alvarez stated due to a change in the Local Government Code and some other legislative changes this year, this is a new item. She stated the City received a letter from the Texas Comptroller's office making sure all taxing entities were aware of this change. She added that based on the budget amount adopted which is roughly .76781 tax rate, the statement which will be read should include \$600,919 or 14.53% and of that amount, \$49,682.

**Commissioner Wilson moved to ratify the following statement "This budget will raise more total property taxes than last year's budget by \$600,919 or 14.53% and of that amount, \$49,682 is tax revenue to be raised from new property added to the tax roll this year", seconded by Commissioner Pecos. Commissioner Laskowski called for discussion regarding the dollar amount of \$600,919. Finance Director Rushing provided an explanation. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".**

**11. 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, 2007 and ending September 30, 2008, 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).**

City Attorney Alvarez stated based on the adopted budget and disclosures given the ordinance would need to be modified in Section Two, the last line, the sum of \$.76781 and in Section Three for the general fund expenditures- Maintenance and Operations the sum of \$.50040. She advised that the motion requires specific language.

**Mayor Fugate called for a motion. Commissioner Wilson made a motion to amend the ordinance as stated by staff and move that the property taxes be increased by the**

adoption of a tax rate of \$.76781, seconded by Commissioner Laskowski. Mayor Fugate called for further discussion or comments. The motion was passed and approved by the following vote: Fugate, Garcia, Pecos, Laskowski, Wilson voting "FOR".

**12. Consider resolution approving the City of Kingsville's 2007 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).**

Commissioner Wilson made a motion to table Agenda Item #12, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".

**13. Consider final passage of an ordinance abolishing a certain classified service position: creating a certain classified service position; ratifying classifications and prescribing the number of positions in such classifications for the classified service in the police department. (Human Resources Director).**

Human Resource Director Gonzalez stated this is a final reading of the ordinance. She stated that after discussion at the last meeting about the number of positions, language was added in Section Four. She stated the total number of police officers was back prior to grant.

Commissioner Wilson made a motion to adopt final passage of the ordinance as amended by Staff, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Laskowski, Pecos, Garcia, Wilson voting "FOR".

**14. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter III, Article 7, Personnel Policies. (Human Resources Director).**

Human Resource Director Gonzalez stated this was the final reading of the ordinance. She provided information on the changes made to the ordinance from the previous meeting.

Commissioner Laskowski made a motion to adopt the final passage of an ordinance amending Chapter III, Article 7, Personnel Policies and repealing all other ordinances in conflict herewith in providing for an effective date and publication, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Wilson, Pecos, Laskowski voting "FOR".

**15. Consider final passage of an ordinance amending the Fiscal Year 2006-2007 Budget for the City of Kingsville for deficit accounts and year end contractual amounts. (Finance Director).**

Finance Director Rushing stated this was previously introduced and discussed; this takes care of internal transfers within the department to get the City through the remainder of this fiscal year.

Commissioner Laskowski made a motion to adopt the final passage of this ordinance amending the fiscal year 2006-2007 budget for the City of Kingsville for deficit accounts and year end contractual amounts, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Fugate, Wilson, Pecos, Garcia, Laskowski voting "FOR".



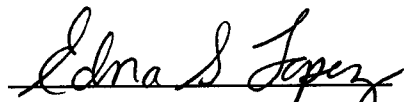
**VII. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 8:43 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, City Secretary