

SEPTEMBER 8, 2009

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, SEPTEMBER 8, 2009 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
 Al Garcia, Mayor Pro-tem
 Charles E Wilson, Commissioner
 Arturo Pecos, Commissioner – arrived at 6:05 P.M.
 Stanley Laskowski, Commissioner

CITY STAFF PRESENT:

Carlos Yerena, City Manager
 Edna S Lopez, City Secretary
 Courtney Alvarez, City Attorney
 Dora Byington, Purchasing Director
 Mark Rushing, Finance Director
 Ken Clark, Director of Development Services
 Naim Khan, City Engineer
 Al Lopez, Fire Chief
 Yolanda Cadena, Health Director
 Diana Gonzalez, Human Resource Director
 Frank Garcia, Wastewater Supervisor
 Ricardo Torres, Police Chief
 Macario Mayorga, Water Supervisor
 Bill Donnell, Public Works Director
 Dianne Leubert, Solid Waste Superintendent
 Caron Vela, Accounting Manager
 Jennifer Vela, Code Enforcement Officer
 John Garcia, Risk Manager
 Joe Casillas, Water Production Supervisor
 Vilma Castillo, Collections Manager

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 as present with Commissioner Pecos, absent. He called for the consideration of the minutes.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Mayor Fugate called for consideration of the minutes of the special meeting of Monday, August 31st, 2009. **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, Garcia, Wilson, Laskowski voting “FOR”. Pecos “ABSENT”**

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

1. A Public Hearing on a proposed tax rate increase from \$.80187 to \$.81057. (Finance Director).

Mayor Fugate opened the public hearing at 6:02 P.M. and called for comments on this subject.

Ms Alvarez reminded the audience that a meeting to vote on the proposed budget and tax rate on Monday, September 21st, at 6:00 PM in the Alcorn Commission Chambers, 200 East Kleberg, Kingsville, Texas.

The public hearing was closed at 6:04 P.M.

III. Reports from Commission & Staff.²

"At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Convention and Visitor's Bureau, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Monthly Financial Reports; Police & Fire Department – Grant Update, Police & Fire Reports; Street Updates; Public Works- Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Administration – Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, Proclamations, Tax Increment Zone Presentation, Budget Workshop. No formal action can be taken on these items at this time."

City Manager Yerena updated the Commission on meeting with the KISD Superintendent to implement a educational system in the school district working with the younger children educating them on the advantages of litter abatement; and Laser School will be adopting a spot.

Ms Alvarez reported on working on several Interlocal Agreements with the County.

IV. Public Comment on Agenda Items.³

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

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

Ms Karen Griffith, 1019 W Yoakum, commented on agenda item #6, asking that the area remain restricted parking in front of the KISD Administration Building.

Mayor Fugate called for consideration of the items on the Consent Agenda, Items 1&2. **Commissioner Laskowski made a motion to accept the Consent Agenda, as presented, seconded by Commissioner Wilson and Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Wilson, Pecos, Laskowski voting "FOR".**

V. Consent Agenda

1. Motion to approve awarding Bid No. 10-11 annual contracts for chlorine to A.O.C. of Kingsville. Based on estimated usage, the City will expend less than \$20,000.00. (Purchasing Director).
2. Motion to approve expending funds from the City of Kingsville Employee Benefit Plan Trust for the City Health Fair. (Human Resource Director).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

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

City Manager Yerena stated this action would authorize a contract for bank depository with Kleberg Bank for the upcoming fiscal year and added that this is the only bank submitting a bid. Staff recommends awarding the bid to Kleberg Bank. Mr. Rushing stated there are four to five different activity fees that the bank will start charging. It is estimated that depository bank service fees will average approximately \$8000 to \$9000 annually for the term of the contract. He stated the processes will be reviewed in order to contract a paper transaction into an electronic transaction which will pull the City's exposure down.

Mayor Fugate called for further comments or questions. **Commissioner Wilson made a motion to adopt Staff's recommendation, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Garcia, Laskowski, Pecos, Wilson voting "FOR".**

4. Consider awarding Bid No. 10-04 annual contracts with three (3) various firms for road materials. (Purchasing Director).

Ms Byington stated this item authorizes execution of annual contracts with three (3) various firms for road materials, Martin Marietta Materials from Portland, Texas, Bay, Inc. from Corpus Christi, Texas, and R. Loera Trucking from Kingsville, Texas. Each bidder recommended for the award submitted the lowest bid for that particular product, except on the hot mix. The City Engineer and Street Supervisor have reviewed and concur with this recommendation. This action does not directly expend any funds; rather, the contract specifies unit prices and enables these products to be acquired as needed during the time of the contract. Based on projected quantities, approximately \$361,060.00 will be expended under this contract.

Mayor Fugate called for further comments or questions. **Commissioner Garcia made a motion to award bids as recommended by Staff, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Pecos, Garcia voting "FOR". Laskowski "AGAINST"**

5. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter III, Article 7, Personnel Policies. (Human Resource Director).

Ms Diana Gonzalez stated this is a draft of a new compensation form for 2009-2010 which is reflective of the preparation of the budget with no increases, so ranges remain the same. There are title changes, an addition and inclusion of a garage & street foreman and the inclusion of the Mainstreet Manager.

INTRODUCTION ONLY

6. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter VII, Article 6, Traffic Control Devices, providing for the restriction of parking on the west side of Third Street from Henrietta Avenue to Yoakum Avenue from 7:00a.m. to 4:00p.m. Monday through Friday. (City Engineer).

Mr. Naim Khan stated this was a request from KISD which addresses parking on the west side of Third Street from Henrietta Avenue to Yoakum Ave. He stated that when vehicles are parked on both sides of the street, no emergency vehicle can pass through the street. He added this is a very congested area and this is for the safety of the children. Commissioner Wilson asked Mr. Khan if he had visited with the school district. Mr. Khan replied he had gone by when the request was made. Commissioner Wilson then asked for the flavor of his conversation with KISD. Mr. Khan replied that he was told that they wanted to do this, reason being that the children cross the street. Mayor Fugate stated the Commissions' concern is that someone jumped the gun and painted the area red without the City passing the ordinance. Mr. Khan stated that the school district had asked for permission to paint. Commissioner Wilson asked Mr. Khan if he had okayed their request to paint. Mr. Khan responded that he had spoken to the City Attorney and since there isn't an ordinance prohibiting people from painting a curb, he was told if he thought it was for safety then it was okay.

There was discussion in reference to allowing parking in that area during the summer and after hours.

Commissioner Garcia voiced his concern about the time limitation for parking and stated that this area is used after hours for a practice field. Commissioner Pecos stated he has

no problem if it is for the safety of the children. Ms Alvarez stated enforcement is only if there is signage and the Commission passes an ordinance.

INTRODUCTION ONLY

7. Review and discuss proposed fiscal year 2009-2010 budget for departments of the City of Kingsville. (City Manager).

City Manager Yerena stated the Commission was provided them with the latest changes and the Health Director has provided information on repairs to the roof at the Health department and the county will participate in helping pay for the repairs. Mayor Fugate stated that during a conversation with the City Manager and Mr. John Garcia, Risk Manager, the Emergency Management people in Austin have reviewed documentation and the program is a City program and the County piggybacks to the City. He stated he makes the decisions and he has spoken to the County Judge and he has referred to the decision with the City and all the equipment at the County will be at the disposal of the City and no money will be spent. Mayor Fugate stated the City will occupy the basement, and the County will continue to contribute the money.

Mr. Rushing explained the three scenarios. He stated all the scenarios are the same for all the budgets and explained the exceptions. He explained the mechanism for funding the Downtown Manager position due to the clarity in the law.

8. Discuss proposed water and sewer rate study for the City of Kingsville. (City Manager).

In a nutshell, Mayor Fugate explained there are capital outlays and improvements needed by Water and Wastewater in the next two to three years, which includes a new storage facility and another water well, which is approximately \$7.8 million for everything included. He added the proposal is to raise water and sewer rates now to help pay for improvements, if rates are not raised, then the City will not have all the money needed and will have to borrow monies in three years for the improvements. He stated there might be an issued whether or not the City needs all the capital improvements, but if the Commission decides that the improvements are needed then they have to decide how to pay for them. He stated is the City going to have more cash up front and borrow less or is the City going to have less cash up front and borrow more. Finally he stated that this Commission needs to decide if in three years all the recommended improvements are going to be needed and if this is what is decided, the decision needs to be made on how to pay for the improvements.

Mayor Fugate called for further comments. Commissioner Laskowski asked if the plan is to move forward with the purchase of everything proposed for 2010. Mr. Rushing replied that's what was instructed by the Commission. Mayor Fugate stated that one of the Commissions' concerns is that items are approved and they really want Staff to act on it. Commissioner Laskowski asked if the Commission was in agreement that everything recommended by Staff for 2010 should be paid for by cash. Mayor Fugate replied that was his understanding.

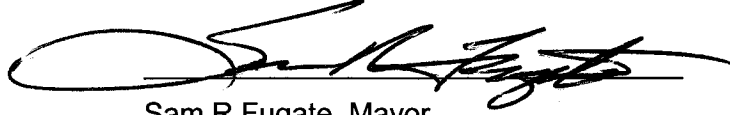
Mr. Rushing explained the amount of money that would be left over the three months in the utility fund, restricted undesignated fund balance if everything is purchased would be a little less than \$200,000. He further explained the City's plan for purchasing.

Commissioner Laskowski stated if rates are not raised at all, the City can still continue to put \$300,000 in Fund 051. Mr. Rushing stated this is the third year of contributing the \$300,000, and Fund 051 and 054 combined has 6.4 months operating. Mayor Fugate stated that is what the Commission wants to drop Fund 051 to the three months operating which is standard. Mr. Rushing stated that is part of the plan to utilize Fund 054 & 051 fund balance and not drop below three months operating. He added that the goal is to not run deficit prior to doing the issuance with S&P in January 2011.

Commissioner Garcia suggested setting aside monies for replacing water lines in the area of the Original Townsite.

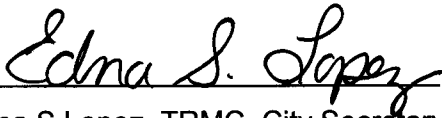
VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:50 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, TRMC, City Secretary