

JULY 18, 2011

**A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JULY 18, 2011 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS CITY HALL/200 EAST KLEBERG AVENUE AT 4:00 P.M.**

**CITY COMMISSION PRESENT:**

Sam R Fugate, Mayor  
Al Garcia, Commissioner  
Charles Wilson, Commissioner  
Stanley Laskowski, Commissioner  
Arturo Pecos, Commissioner

**CITY STAFF PRESENT:**

Vincent J Capell, City Manager  
Edna S Lopez, City Secretary  
Courtney Alvarez, City Attorney  
Yolanda Cadena, Health Director  
Yolanda Vasquez, Municipal Court Supervisor  
Diana Gonzales, Human Resource Director  
Rick Salinas, Volunteer Fire Chief  
Al Lopez, Fire Chief  
Ricardo Torres, Police Chief  
Mark Rushing, Finance Director  
Caron Vela, Accounting Manager  
Naim Khan, Public Works Director/City Engineer  
Chris Newton, Temp Special Revenues Accountant  
Terry Vasquez, Asst. Accountant II  
Bob Trescott, Downtown Manager  
George Crocker, Police  
Johnny Campos, Police  
Julian Cavazos, Police  
Bradley Lile, Police

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate called the meeting to order in the City Commission Chambers at 4:02 P.M. and announced quorum as present.

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

Mayor Fugate called to forego formalities.

**MINUTES OF PREVIOUS MEETING(S) – Required by Law**

Mayor Fugate announced there were no minutes to consider.

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

**NONE**

**III. Reports from Commission & Staff<sup>2</sup>**

*“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, Keep Kingsville Beautiful, 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, Health Plan Update, Tax Increment Zone Presentation, Chapter 59 project. No formal action can be taken on these items at this time.”*

City Manager Capell stated he had no report other than to present the budget.

Ms Alvarez reported that the agenda for Monday's meeting will be posted late tomorrow, there are budget workshops Tuesday and Wednesday, and she will be out the week of the 25<sup>th</sup> attending the OEA Conference in Tennessee presenting a paper on the Joint Airport Zoning Board, where she will be a speaker.

#### **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. There were no comments

#### **V. Consent Agenda**

NONE

#### **REGULAR AGENDA**

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

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

1. **Review and discuss proposed fiscal year 2011-2012 budget for departments of the City of Kingsville, including but not limited to the following: (City Manager).**

- Budget Overview (City Manager)

City Manager Capell provided an overview on the budget schedule, stating that tonight is the first meeting. He pointed out a couple of things on the table of contents and stated the table of contents and the budget itself is organized by fund type, the same kind of fund type that the City uses to prepare its Annual Financial Report which is basically organized by type of fund. The next section of the budget is the City Manager's Budget Transmittal or budget message which is quite lengthy this year due to this being my first year and because there's several issues that need to be discussed. Exhibit A includes several proposed changes to personnel salaries and titles. There are charts and graphs in the budget summary section which is designed to be a more user friendly type of presentation which will be helpful to the citizens. He stated he reorganized the order in which budget presentations are made, tonight is Public Safety and Public Health, another night will be Public Works, then City Hall administration. He stated there are three (3) meaningful changes that he would like to focus on: 1) this year, unlike years past, he asked his Directors to estimate the revenues and their expenses for this current year and as well for next budget year; 2) Allows for estimating fund balances for a three (3) year period of time; and (3) budgeted for activities that have never formally been budgeted for in the past. The CO's have not been budgeted in years past, but it doesn't mean it hasn't been controlled; the City Commission has done a good job. If the CO's are in the budget document, then they will be in the monthly financial reports.

City Manager Capell pointed out a couple of things in the City Manager's Transmittal. There's about \$6.5 million dollars of funds being budgeted this year, but if budgeted as in the past, it would not be in this document. There's about \$100,000 of revenues that is related to those fund activities. The total City budget goes up by \$6.5 million dollars which doesn't mean our budget is totally out of control. In reality, all that's being done is that the City is budgeting for some funds that were not previously budgeted. He stated he tried to show how the City budget has changed, it shows that the total City budget has increased in 2012 by \$6.2 million, most of that is from the CO Funds. He touched on the revenue breakdown. The total City revenue is \$29,785,000. On the expenditures breakdown, this shows how this has increased to \$36,000,000. The Personnel Services line item is broken down into two pieces showing how much of that has changed due to salary increases and how much it changed due to employee benefits. Fund balances in the general fund are growing and not shrinking. The City Commission has some opportunities to spend some of that money in certain ways to complete road projects or other things that the City Commission wants to accomplish. There were some special budget situations that had to be addressed, one being the health insurance. Due to GASB 45 there were certain increases in the health insurance, about 13.5%. He touched on a pension settlement, due to accounting rule changes and a different way of doing actual reporting, determines what the true costs really are for the pension funds. He stated the City is really fortunate this year based on the estimates to be able to pay for that so that the City doesn't incur 7% annual interest charges and this is already incorporated into this budget. This budget provides information on employment changes. There are pending or contingent items. He stated he tried to point out in his budget message that he tried to provide a full and complete budget, a balanced budget. One that if the Commission decides to make no changes at all it would still be balanced. City Manager Capell stated one thing that they need to be aware of is

that he had a recent meeting with Ms Susan Ivy, Parks Director. He stated the Parks Director will approach the Commission to request additional funding. In the budget right now is the \$200,000 that was allowed last year. He stated it's important to recognize that the budget is being presented earlier than last year. Because it is early there are several things still in process, the County Tax Assessments have not finalized. He stated he doesn't know if taxes will go up or down. There is a projection of about a \$200,000 increase or so in property tax revenue. City Manager Capell stated he has given no effect in the budget to the proposed new storm water utility. The City is studying that and if and when that takes place the budget can be amended. Regarding the Kleberg County Cost sharing arrangements, he stated he is still uneasy about that, in terms of the County's contributions for Parks, Health, and the Library. Mayor Fugate stated he had spoken to County Commissioner Schultz who stated they would be funding those fully. Ms Yolanda Cadena, Health Director stated she has heard different from the County Judge.

City Manager Capell called for questions from the City Commission.

Upon a question from Commissioner Garcia, City Manager Capell stated there's a request for the City to continue paying half the electricity bill at the golf course for the entire fiscal year.

Commissioner Laskowski asked that Ms Alvarez pull the contract with the Park to check the amount allocated to them. City Manager Capell stated Ms Ivy is requesting to re-write the contract.

Mayor Fugate called for questions or comments. Mayor Fugate stated the budget document is a very good document and we are further along in the budget then we have ever been in the budget process.

- 210 Police (Police Chief)

Chief Torres addressed the Commission. He stated the Crime Scene Tech is a very important position in their organization and to be able to draw an individual with sufficient knowledge is vital. He stated that his Staff is addressing computer infrastructure within the organization. In 210.1 – Administration – the department feels confident they can work with this budget; most line items remained the same. City Manager Capell stated in this division, salaries and benefit amounts will change due to required increases due to their contract. Upon a question from Commissioner Garcia, Chief Torres stated the amount in Professional Services is for promotional examinations which is very costly. In 210.2- Patrol - the department is trying to stay within the overtime budgeted amount by using Stone Garden and Border Star funds. In 210.3 – Communications - the overtime in this division is also covered through Stone Garden. Upon a question from Commissioner Laskowski, Chief Torres replied the decrease in salaries is a difference in seniority and some newer dispatchers being at a lower rate. In 210.4 – Criminal Investigation Division – this division has several increases due to more personnel, SLOT Officers, being moved into this division. Commissioner Laskowski questioned the reduction in salaries if more personnel were added. Chief Torres replied part of that is that the move was made midstream. He stated he is requesting new vehicles for SLOT. In 210.5 – Community Services – Chief Torres stated that the line item for Motor, Gas & Oil has to be revisited. In the 005 State Forfeiture Fund, Chief Torres stated he is looking at hardening the infrastructure of their building, by fencing around the building, installing an electronic gate, and in the back yard installing a cedar fence, installing new close circuit TV cameras, provide six new vehicles fully outfitted, will provide \$110,000 for overtime, \$21,000 for radio maintenance, and upgrading computers.

Regarding the proposed Warrant Officer position, Chief Torres stated this has been considered for several years. If the correct person is appointed and he is allowed to do it freely wherever he needs to do, he can have a significant impact on who will pay their fines and when. Chief Torres stated the City will have to take advantage of the OminBase program, and participating in the Department of Transportation program. Having that person in place will help not only to serve the warrants but actually expedite those processes. Commissioner Laskowski asked the Chief about the comment he made, "as long as he's allowed to do his job wherever he needs to". Chief Torres replied, "Politics being what they are". He added if the warrant officer has to pull someone out of a high profile office, and this is done a couple of times people will start paying their fines. He stated the warrant officer will have flexible hours. City Manager Capell stated the Municipal Court Judge has also requested this position.

- 220 Fire (Fire Chief)

Fire Chief Lopez addressed the Commission. He stated the Fire Department will be working on expanding Station #2. When the station is completed a third firefighter will be staffed there. Currently, Central Fire Station is being re-roofed. New to the department is the EMS billing, four (4) new laptops have been purchased through the CO's, and in-service will be provided for all staff. This will reduce paperwork and claims will be filed electronically from the hospital. He stated he is looking at hiring people with Paramedic certification due to changes getting ready to start. They will recruit from the Junior Colleges. Regarding an increase in ambulance service revenue, Commissioner Laskowski asked how often this is looked at. Fire Chief Lopez

responded he has someone on Staff working on this and they will present their findings to the Commission. He stated there's an increase in Professional Services for mandated testing of equipment. The majority of this budget basically has the same amounts as the current budget. Mr. Rushing explained the collection process for ambulance billing.

- 225 Volunteer Fire (Volunteer Fire Chief)

Volunteer Fire Chief Rick Salinas addressed the Commission. Mr. Salinas stated they represent the City of Kingsville Volunteers since 1909. They assist the Professional Firefighters in their operations. Commissioner Laskowski questioned the \$15,000 increase to the budget and stated it is confusing to him because this budget is not broken down and just shows Volunteer Fire, \$98,000. He then asked if that was everything, including equipment purchased. Commissioner Laskowski stated it would be better presented to him if he knew what they actually need. Mr. Rushing stated this will be broken out next year. Commissioner Laskowski stated that in previous years items were broken down and presented to the Commission and he would like to see this added to the budget. City Manager Capell stated Incode has the ability to provide breakdowns. Regarding the building maintenance amount, Mr. Salinas stated the building needs a new roof. Fire Chief Lopez stated he would help to get a quote on the roof. Commissioner Laskowski stated the difference in the budget is \$25,000.

- 233 Task Force (Task Force Commander)

Task Force Commander Vera addressed the Commission. Commander Vera stated the mission of the Task Force is to enhance the quality of life for residences of Kingsville and Kleberg County by preventing drug related crimes that affect the citizens. This budget would allow them to have a proactive approach to identify these individuals and prevent illegal activities and prosecute these subjects in State and Federal courts. The Task Force is often utilized by Federal Agencies. This budget will suffice in the sense that it will give them the resources that they need to take affirmative action that are expected of the Task Force.

Mayor Fugate called for questions. Commissioner Laskowski stated whatever they make they use. Commander Vera stated there are some increases that affect their budget. He explained the increases in their budget which included overtime, fuel, and animal care. Upon a question from Mayor Fugate, Commander Vera stated the building they house is holding its own and they have done a lot of renovations. He stated they are hoping that the FCC allows them to stay in that property after the Border Patrol occupies their new station. He stated the agreement is that they maintain the grounds and upkeep the building.

- 440 Health (Health Director)

Ms Yolanda Cadena, Health Director addressed the Commission. Ms Cadena stated the budget is compatible to last year's with the exception of line item #217. She explained her needs for equipment. She further explained the need for a GPS system to be used while spraying of mosquitoes. Mayor Fugate stated there have been email complaints about the handling of the animals. Ms Cadena explained she hasn't had any complaints besides those emails, and those emails came from Austin, Texas from an animal rights group. She stated if the Commission is interested in not using anymore carbon monoxide euthanasia the shelter will have to be reconstructed. This is the same budget that was submitted to the County. She stated she met with the County Judge and he wanted for her to notify the City Attorney so that she could inform the City of Kingsville that there is a possibility there might be a County layoff. If there is a County layoff, he wanted the City of Kingsville to get prepared. Mayor Fugate suggested to the City Manager that he needed to follow up. City Manager Capell stated that Ms Cadena did request an additional Animal Control Officer but due to the circumstances at the County this was not added to the budget. Upon a question from Commissioner Garcia, Ms Cadena replied her department is fine with vehicles. This budget only increased by \$1,655.

City Manager Capell stated this concludes the presentations for tonight. Mayor Fugate called for questions or comments.

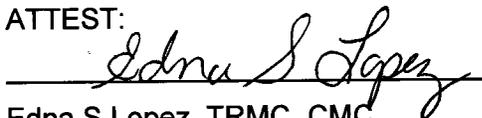
## VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 5:40 P.M.



Sam R Fugate, Mayor

ATTEST:



Edna S Lopez, TRMC, CMC

City Secretary