

AUGUST 29, 2011

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 29, 2011 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, Commissioner
Arturo Pecos, Commissioner
Stanley Laskowski, Commissioner
Charles Wilson, Commissioner

CITY STAFF PRESENT:

Vincent J Capell, City Manager
Courtney Alvarez, City Attorney
Caron Vela, Accounting Manager
Mark Rushing, Finance Director
Dave Mason, Purchasing Director
Yolanda Cadena, Health Director
Naim Khan, Public Works Director/City Engineer
Bill Donnell, Asst. Public Works Director
Joe Casillas Water Production Supervisor
Bob Trescott, Downtown Manager
Gary Fuselier, Landfill Supervisor
Marco Jimenez, Water Supervisor
Ricardo Torres, Police Chief
Arturo Perez, Garage Supervisor
Willie Vera, Task Force Commander
Mike Kellam, Director of Development Services

I. Preliminary Proceedings.

OPEN MEETING

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

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered, 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 for the regular meeting on Monday, August 22, 2011. **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, Wilson, Garcia, Pecos, Laskowski voting “FOR”.**

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

1. Public Hearing on a proposed tax rate increase from \$.84220 to \$.87960 for Fiscal Year 2011-2012. (Finance Director).

Mayor Fugate opened the public hearing at 6:02 P.M.

Mayor Fugate read the tax rate public hearing statement. No comment was made from the public or staff regarding this public hearing.

Mayor Fugate closed the public hearing at 6:04 P.M.

2. Public Hearing on proposed Fiscal Year 2011-2012 budget. (Finance Director).

Mayor Fugate opened the public hearing at 6:04 P.M.

No comment was made from the public or staff regarding this public hearing.

Mayor Fugate closed the public hearing at 6:05 P.M.

III. Reports from Commission & Staff²

“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, Main Street Downtown, Chapter 59 project, Financial Advisor presentation. No formal action can be taken on these items at this time.”

City Manager Capell had nothing to report at this time.

Mrs. Alvarez reported that at the next City Commission meeting held on September 12, 2011, the commission will be voting on FY 2011-2012 budget and tax rate. She further reported that the City of Kingsville was going to have a tire collection event to be held on Saturday, September 10, 2011 from 8:00 A.M. to 3:00 P.M. with drop off locations at the Kingsville Police Department, Public Works Department and Avenue B & 6th Street. Mrs. Alvarez also reminded everyone that the city will be closed in observance of Labor Day on Monday, September 5, 2011.

IV. Public Comment on Agenda Items³

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

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

Mr. Fred Bigelow of 916 South Creek, read statement with regards to the tanker truck accident that occurred on Monday, August 22, 2011, that implemented an evacuation. He stated that at around 2:00 P.M. they were told to evacuate the South Creek Subdivision by the Kingsville Police Department and the Task Force. He stated that they were told that there may be a possible toxic chemical leak but that not much more than that was said. He also stated that they were not told for how long the evacuation was going to be or who they needed to contact for any updates.

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

V.

Consent Agenda

Notice to the Public

The following items are of a routine or administrative nature. The Commission has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

1. **Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to 1.5 acres out of South Loop Estates Lots 1, 2, & 3 from MH Mobile Home District to C4 Commercial District, amending the comprehensive plan to account for any deviations from the existing comprehensive plan. (Director of Development Services).**
2. **Motion to approve out-of-state travel to Washington, DC for Mayor Fugate on September 18th – 20th, 2011 for the purpose of discussing military issues for the city. (Mayor Fugate).**

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

3. **Consider authorizing bid for one backhoe for the Street Department through H-GAC with Nueces Power Equipment for \$71,131.64 using CO2011 funds. (Purchasing Director).**

Commissioner Laskowski made a motion authorizing bid for the backhoes as recommended by staff seconded by Commissioner Wilson. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Laskowski, Pecos voting "FOR".

4. Consider accepting donations for Keep Kingsville Beautiful. (Finance Director).

Commissioner Wilson made a motion to accept donations for Keep Kingsville Beautiful seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Fugate, Wilson, Garcia, Laskowski, Pecos voting "FOR".

5. Consider approving final passage of an ordinance amending the Fiscal Year 2010-2011 Budget for the Escondido Waterline Extension and Keep Kingsville Beautiful donations. (Finance Director).

Mr. Kahn, Public Works Director/City Engineer stated that this item was for the purchase of a 9,000 foot pipeline going from County Road 1032 to County Road 772.

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

6. Discuss budget and tax rate options for City's Fiscal Year 2011-2012. (City Manager).

Mr. Capell stated that he would like some direction as to where the City Commission wants to see potential cuts. He also stated that in response to Commissioner Garcia's request, which is to delay increases until later this year, so that the city may review performances since we do not have a system at this time that compensates based on performances. He further stated that a bad performance can result to termination. He stated that he may need to address this issue in the future. Mr. Capell stated that it shouldn't underpay employees for a poor performance. They may just need to get a new position.

Commissioner Pecos asked if the fund balance at the end of FY 2010-2011 would be around \$5,000,000 total, after city makes TMRS retirement payments.

Mr. Capell stated out of \$700,000, the city can pay \$25,000 for soccer fields, \$35,000 to the Golf Course, \$30,000 for the roof at the Volunteer Fire Department but was not sure of a dollar amount for the Young Drive sewer extension. He further stated that there would still be \$600,000 left that could be used for a one time purchase. He stated that sales tax numbers were stronger than one month ago, so surplus figures may be even better. He further stated that he would come back to Commission sometime next year, with items to spend money on.

Mayor Fugate asked for removal of items until County sets their tax rate.

Commissioner Laskowski stated that when he first received the tax calculation sheet, he recalled a difference between proposed and current tax rate, therefore asking, where the extra \$31,000 in revenue came from that is cited in proposal number one.

Mr. Rushing explained the difference between Caron's first proposed numbers and tonight's proposed numbers.

Mr. Capell stated that he believed that the city has under budgeted revenues.

Mayor Fugate stated that we should look at deductions from revenue of \$216,000 and not \$247,000.

Mr. Capell stated that in order to network numbers, he would ask Commission on what they would like to see with regards to revenue cuts.

Commissioner Pecos stated that he wants to keep the current tax rate, because citizens are already being hit with four percent sewer and two percent water rate increases. He stated that some citizens are on a fixed income and would probably feel the effect real soon.

Mayor Fugate stated that he does not want to budget for recurring expenses from reserves.

Mr. Capell stated that if the tax increases to \$216,000 and they are able to deduct some items in the budget, they may still be able to get there.

Mayor Fugate commented that there would be two easy reductions: 1) remove the Kingsville Wipe Out Program and 2) Appraisal District budget reduction.

Mr. Capell commented that he would like to make cuts within the budget but not until two months after fiscal year in order to know the numbers.

Mrs. Alvarez reminded the Commission, that each Commissioner could state a preference, but not take a vote.

Mayor Fugate stated that he believes that the consensus of this Commission is to not raise taxes but to look for cuts within the budget.

Mr. Capell stated that he can amend the budget as the situation changes.

Mayor Fugate suggested to remove \$50,000 for the Kingsville Wipe Out Program funding and reduce \$19,408 in the Appraisal District Budget Reductions.

Chief Torres stated that he was not sure what the Warrant Officer collection numbers were as of yet.

Mr. Capell commented that in earlier years, a Warrant Officer would probably collect more money than in later years.

Mayor Fugate believes consensus on \$44,260 in miscellaneous cuts needs to be shown and identified to Commission.

Mr. Capell stated that Commission has the opportunity to decrease the proposed City Manager's discretionary compensation increases.

Mayor Fugate stated he may want compensation to come out of miscellaneous cuts.

Commissioner Laskowski stated that he would like to see budget with surplus and not at zero dollars. He further stated that in the past, the city froze vacant positions because revenue was not coming in as predicted or it would cut spending sometime in May.

Mr. Capell stated that across the board salary freezes would not work well and we shouldn't balance budget through retirements.

Commissioner Laskowski stated if the city had a vacancy and it was not filled for six months or so, then the city does not need that position.

Mr. Capell stated that there is one position for the Fire Department that is on hold, but all other positions are being sought.

Commissioner Laskowski commented that this year will be a unique year with sales tax.

Mayor Fugate stated that he agreed because it took a beating on sales tax in prior years.

Commissioner Laskowski stated that it wasn't given the opportunity in the past to determine whether to cut positions or freeze expenditures.

Mayor Fugate stated that this is ultimately the City Manager's job. He further stated that he wants one more meeting prior to the meeting where the Commission would have to adopt FY 2011-2012 budget, in order to discuss the budget further.

Mr. Capell stated that the last item to discuss was about the compensation plan changes with regards to merging ML-4 and ML-5 which has been discussed with Ms. Diana Gonzales, Human Resources Director. He further stated that he would like to review the compensation plan and the positions and fine tune them. He

stated that certain positions, as to what he believes are being under paid and will try to identify some of those positions in order to keep current employees.

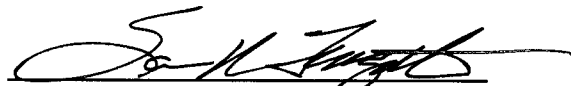
Mayor Fugate stated that he would like combining ranges ML-4 and ML-5 so that the minimum would be \$35,000 with a maximum of \$55,000.

Commissioner Laskowski stated that the only way the compensation plan will work, is if Commission approves salary increases for positions.


Mr. Capell stated that he is trying to hire a Community Appearance Supervisor with a range of \$35,000 a year.

VII. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:03 P.M.


Sam R. Fugate, Mayor

ATTEST:


Edna S. Lopez, TRMC, CMC
City Secretary