

SEPTEMBER 6, 2011

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, SEPTEMBER 6, 2011 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 4:00 P.M.

CITY COMMISSION PRESENT:

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

CITY COMMISSION ABSENT:

Charles Wilson, Commissioner

CITY STAFF PRESENT:

Vincent J. Capell, City Manager
Courtney Alvarez, City Attorney
Mark Rushing, Finance Director
Dave Mason, Purchasing Director
Bill Donnell, Asst. Public Works Director
Gary Fuselier, Landfill Supervisor
Frank Garza, Wastewater Supervisor
Diana Gonzales, Human Resources Director
Yolanda Cadena, Health Director
Avelino Valadez, Street Supervisor
Arturo Perez, Garage Supervisor
Joe Casillas, Water Production Supervisor
Al Lopez, Fire Chief
Willie Vera, Task Force Commander
John Garcia, Risk Manager
Ricardo Torres, Police Chief
Mike Kellam, Director of Development Services
Naim Kahn, Public Works Director/City Engineer

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the meeting to order in the City Commission Chamber at 4:03 P.M. and announced quorum as present, with Commissioner Wilson absent.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

Mayor asked if there were no objections from staff or the public he would waive the invocation and the Pledge of Allegiance, he would like to convene into the meeting.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

None

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

None

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, Chapter 59 project. No formal action can be taken on these items at this time.”

City Manager Capell had nothing to report at this time.

Mrs. Courtney Alvarez, City Attorney, stated that she would like to remind the Commission that at the next City Commission meeting scheduled for Monday, September 12, 2011, the City Commission will be adopting the City of Kingsville Budget for FY 2011-2012 as well as the Tax Rate. She further stated that as per conversation with her Legal Assistant/Paralegal, Mary Valenzuela, Commissioner Wilson would not be in attendance at this meeting due to a pre-plan travel and would not return in time to attend this meeting.

Mayor Fugate asked for comments from the Commission. There were no comments.

IV. Public Comment on Agenda Items ³

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

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

There were no comments from the staff or the public.

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 or a citizen, 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.

CONSENT MOTIONS, RESOLUTIONS, ORDINANCES AND ORDINANCES FROM PREVIOUS MEETINGS:

(At this point the Commission will vote on all motions, resolutions and ordinances not removed for individual consideration)

NONE

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners. ⁴

1. **Executive Session: Pursuant to Section 551.074 of the Texas Open Meetings Act, the City Commission shall convene in executive session to deliberate the evaluation & duties of the City Manager. (City Manager).**

Mayor announced the Executive Session. The Commission convened into Executive Session at 4:07 P.M.

The Commission reconvened into regular session at 4:53 P.M.

2. **Review and discuss proposed fiscal year 2011-2012 budget for all departments and funds of the City of Kingsville. (City Manager).**

Mr. Capell stated that he would like to explain the documents that were provided to the Commission earlier in the meeting. The first item is the City of Kingsville Compensation Plan which contained some changes that were discussed at previous meetings, example being the consolidation of ML-5 with ML-4. He stated that the Commission had agreed to the consolidation prior. The second item was originally Exhibit A in the proposed budget document, which contains the same information, although it breaks out the changes by those that will require an increase and those that are just reclassifications that don't require an increase. He further stated that any changes that were discussed in any of the budget meetings/workshops that are not in the budget notebook are reflected on the spreadsheet. This will determine whether we may have an even budget or not. He asked Commission if they had any questions, if not he would go over the property tax levy. He stated that one of the options is to increase the levy just under roll back. He stated that it may not be something the Commission wants to do, but if it was done, the schedule shows the financial impact that we would actually have an \$80,000 surplus in the general fund, if that was to be done. The next option would be if the tax rate was taken to the effective rate, which would show the revenues and expenditures are with no effect given to any tax increase, which would leave us with a deficit of \$215,848.

Commissioner Laskowski asked a question with regards to the decrease of the Volunteer Fire Department for personal equipment expenses. He understood that the volunteers needed to replace their bunker gear, and asked if this money was being taken which was supposed to be utilized to replace bunker gear.

Mr. Capell stated that he is aware that an insurance claim was filed to recover the cost and asked Mr. Rushing to clarify this claim.

Mr. Rushing stated that based on an email from Linda Gerd and Rick Salinas regarding the bunker gear, that line item could be cut.

Commissioner Laskowski asked if that cut would be for the amount of \$10,000.

Mr. Rushing stated yes, the amount would be \$10,000.

Commissioner Laskowski stated that the Volunteer Fire Department needs to replace their bunker gear because certain sets were affected by the contamination. The remaining bunker gear was scheduled to be replaced as per his understanding.

Mr. Capell stated that this would leave \$135,000 in the deficit for that fund which needs to be found in other accounts. He further stated that last week there was discussion regarding the hiring of a Warrant Officer, which he feels could increase warrant revenue up by \$50,000. He further stated that Mr. Rushing had looked into the ambulance revenue and stated that revenue is going to be higher than what was proposed in the budget this would be without a fee increase, which is something that is also being considered for this coming year.

Mr. Rushing stated that ambulance revenues have increased throughout the years. In the conversion from Alexander Billing to Intermedix, there was a catch up on the billing of \$128,000. Part of that would be the transition from the old system to the new system and a backlog of billing that had not been billed from the previous year. He also stated that next year's projections could be bumped up \$40,000 and we would come in at what is expected for next year.

Mayor Fugate asked for a comment from Fire Chief Lopez.

Chief Lopez stated that the billing was going to improve tremendously with the new system that is in place now. He also stated that he agrees with Mr. Rushing on those numbers.

Mr. Capell moved forward and stated he did not eliminate the full \$50,000 from KWOP and feels that the money can get put into good use and we could utilize some of our own resources to perform the work that the Army National Guard was doing.

Mayor Fugate stated that even if we use our own employees to perform some of those duties, you would still have to hire someone to haul the debris.

Mr. Capell stated that there is another option and asked Mr. Rushing to explain this option to the City Commission.

Mr. Rushing stated that this scenario, which is for FY 2010-2011 tax rate, not the effective but it's this actual current year rate for the M&O portion that would leave us short \$4,097 in the 001 fund. He further stated that with Commissioner Laskowski questioning the \$10,000 for the Volunteer Fire Department, possibly could leave us short \$14,097. He also stated there are other general fund types that have a net of \$323,741, for a total category of being \$319,644.

Mr. Capell stated that he would like to point a couple of other things. He stated that there are a few other cushions in the budget, one being the 100% of salary increases which was budgeted for step increases which occur over the course of the year. He further stated that there is a one-time TMRS settlement in the current year budget in expense of \$60,000 to \$75,000 total that will not be recurrent in the future years. He stated that he is pretty confident that revenue, sales taxes which is stabilized which looks pretty good for the following year. He asked for direction from the City Commission as to which direction they would like to take.

Mayor Fugate asked the Commission if there were any questions, comments or direction they may want to discuss.

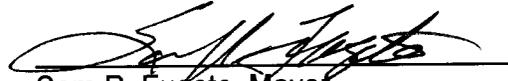
Commissioner Garcia asked with regards to the City Manager discretionary compensation increases, if these amounts were included in the figures the commission received.

Mr. Capell stated that the salary increases were included, but if commission decided to remove some or all, it would increase the surplus. He further stated that if the Commission did not want to make a decision at tonight's meeting, an item could be added for the next regular scheduled meeting.

Mayor Fugate stated that they received some new information and would like to make that decision on what was presented at the next regular scheduled meeting.

VII. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 5:10 P.M.


Sam R. Fugate, Mayor

ATTEST:


Edna S. Lopez, TRMC, CMC
City Secretary