

JULY 22, 2013

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JULY 22, 2013 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 6:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Noel Pena, Commissioner
Dianne Leubert, Commissioner
Arturo Pecos, Commissioner
Al Garcia, Commissioner

CITY STAFF PRESENT:

Vince Capell, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
David Mason, Purchasing/IT Director
James Bryson, Accounting Manager
Stacy Pena, Accounting Supervisor
Bob Trescott, Downtown Director
Charlie Cardenas, Public Works Director/Engineer
Daniel Ramirez, Building Official
Bill Donnell, Asst. Public Works Director
Mark Rushing, Finance Director
Emilio Garcia, Health Director
Ruthie Valdez, Interim Library Director
Robert Isassi, Director of Planning & Development Services
Diana Gonzales, Human Resources Director
Melissa Perez, Risk Manager
Cynthia Martin, Downtown & Volunteer Manager
Jennifer Bernal, Community Appearance Supervisor
Joey Reed, Fire Chief
Julian Cavazos, Lieutenant
Pete Piña, Interim Landfill Supervisor

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate called the meeting to order in the Robert H. Alcorn Commission Chamber at 6:00 p.m. and announced quorum as present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Mark Rushing, Finance Director followed by the Pledge of Allegiance and the Texas Pledge.

**MINUTES OF PREVIOUS MEETING(S) – Required by Law
Regular Meeting – July 8, 2013**

Mayor Fugate asked for a motion from the Commission to approve the minutes as presented. **Commissioner Pecos made a motion to approve the minutes as presented, seconded by Commissioner Leubert. The motion was passed and approved by the following vote: Leubert, Pecos, Pena and Fugate voting: “FOR”. Garcia “ABSTAINING”.**

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

1. Public hearing regarding condemnation proceeding for structures located at 528 S. 18th Street, Kingsville, Texas. (Director of Planning & Development Services).

Mayor Fugate read and opened this public hearing at 6:02 p.m.

Mr. Robert Isassi, Director of Planning & Development Services, reported that this structure has no roof, numerous broken windows and structure is not secured. All proper notices were mailed to property owner.

Juan Rios, 526 S. 18th, property owner of 528 S. 18th, stated that his general attorney, Ross & Mathew as well as his local attorney Timothy Downey recommend for this condemnation to be rescheduled for a hearing so they may represent him. Request information on repealing procedures that would insure his family's right based on the decision made tonight. He further stated that he was informed by his postman, that the notices were sent to a different last name of Rojas. He stated that on May 28th, the electricity was scheduled to be turned but no inspection had been made, therefore they

were unable to turn on the electricity. He has hired an Engineer and two general contractors to look at this structure. He stated that he and his family would like the opportunity to fix the home and bring up to code, as his family will be living in it once it's brought up to code.

Mayor Fugate reported that he has driven around to see the structures that are up for condemnation and this is one of the worse properties of the four that are up for condemnation during tonight's meeting.

Mayor Fugate closed the public hearing at 6:10 p.m.

2. Public hearing regarding condemnation proceeding for structures located at 1221 E. Huisache, Kingsville, Texas (Director of Planning & Development Services).

Mayor Fugate read and opened this public hearing at 6:10 p.m.

Mr. Isassi stated that all proper notices were mailed in June 2012. The structure is in disrepair and is asking Commission to approve an order for demolition.

Mayor Fugate closed the public hearing at 6:12 p.m.

3. Public hearing regarding condemnation proceeding for structures located at 422 S. 18th Street, Kingsville, Texas. (Director of Planning & Development Services).

Mayor Fugate read and opened this public hearing at 6:12 p.m.

Mr. Isassi stated that this structure is addressed as 420 S. 18th legally 422 S. 18th. All proper notices were sent in June, 2012.

Commissioner Garcia asked for an explanation regarding the address issue. Mr. Isassi stated that this is one lot with a setback house connected to the main structure.

Louise Birker, 1602 E. Huisache stated that the post office has the structure addressed as 420 ½ S. 18th. She stated that she has had problems with vandalism and theft. She further stated that the structure needs to be demolished.

Mayor Fugate closed the public hearing at 6:15 p.m.

4. Public hearing regarding condemnation proceeding for structures located at 1702 E. Fordyce, Kingsville, Texas. (Director of Planning & Development Services).

Mr. Isassi reported that all proper notices were sent in June 2012 regarding this structure. This is a concrete foundation with an unsecured garage. All notices were mailed to the P.O. Box listed on the appraisal roll.

Louise Birker, 1602 E. Huisache stated that the garage is secured. Back door needs to be replaced and house needs to be painted and brush needs to be trimmed.

Mayor Fugate closed this public hearing at 6:18 p.m.

III. Reports from Commission & Staff.² (City Manager's Staff Report Attached).

"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, Tourism, 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, Conner Museum Annual Report. No formal action can be taken on these items at this time."

Mr. Vince Capell, City Manager reported that he has two presentations for the City Commission during tonight's meeting. The two presentations are in regards to Petra Vela Kenedy House and a presentation from Jonathan Plant, Museum Director regarding the Annual Report on the John E. Conner Museum. He further reported that staff will be attending the Professional Development Training on Thursday, July 25, 2013 to be held at the H.E.B. Center. He further reported that budget preparations are in progress and has been submitted to his office.

Mrs. Courtney Alvarez, City Attorney reported that the next scheduled Commission meeting is August 12, 2013. She further reminded staff that the deadline to submit agenda items is Friday, August 2, 2013.

Mayor Fugate asked if there weren't any objections, he would like to do the presentation after the consent agenda. No objections were made from the Commission or staff.

IV. Public Comment on Agenda Items³

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

Albert Garcia, 315 S. 23rd Street, he stated that as a real estate broker, there is always a need for new local businesses to come in to Kingsville that would allow the local residents to stay in Kingsville verses going out of the community for entertainment. He further stated that this move of the Silver Spur into the Wild Horse Mall may bring in other establishments into this building.

Leon Garcia, 1533 Lewis, owner of the Silver Spur stated that he has gathered a petition in favor of the special use permit that he would like to submit to the Commission. He further thanked everyone for their support on this issue.

Joseph Biedron, 2024 Sherwood, stated that he has been a resident of Kingsville for the past five years and is in favor of the Silver Spur relocating to the Wild Horse Mall. He further stated that this would be a great addition to the economic development which could attract other businesses to come into our community. He stated that the Silver Spur is a good establishment for residents of this community.

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.

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)

Mayor Fugate asked for a motion to approve the consent agenda as presented.

Motion made by Commissioner Pecos to approve the consent agenda items as presented, seconded by Commissioner Leubert. The motion was passed and approved by the following vote: Leubert, Pecos, Pena, Garcia, Fugate voting "FOR".

1. Motion to approve final passage of an ordinance amending the zoning ordinance by granting a special use permit at 1601 S. Hwy 77, Suite P (Kingsville industrial Park 2, Lot 14.84 AC Tract) for a sports bar/club; amending the comprehensive plan to account for any deviations from the existing comprehensive plan; providing for publication. (Director of Planning and Development Services).

2. Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinances by amending Sections 15-6-115 through 15-6-131, providing for substantial revisions to the sign ordinance. (Director of Planning and Development Services).

3. Motion to approve final passage of an ordinance amending the Fiscal Year 2012-2013 budget of the General Fund Information Technology Department for G.I.S. Server Hosting Services. (Director of Finance).

4. Motion to approve the reappointment of Ms. Dora Martinez to the Civil Service Commission to serve a three (3) year term. (Director of Human Resources).

5. Motion to approve the reappointment of Mr. Wayne Quandt to the Zoning Board of Adjustment to serve a two (2) year term. (Director of Planning & Development Services).

At this time, presentations were made by Mr. Jonathan Plant, Museum Director and Mr. Bob Trescott, Tourism Director regarding the Petra Vela Kenedy House.

Mr. Jonathan Plant, John E. Conner Museum Director reported to the Commission on the Annual Report for the John E. Conner Museum. The Conner Museum total operating expenses for Fiscal Year 2012-2013 was \$72,109.34. The projected budget for Fiscal Year 2014 is \$82,000, having a difference of close to \$10,000 from FY 2012-2013. The museum has been involved in six traveling exhibits this fiscal year, Vaquero: Genesis of the Texas, Running for Office: Candidates; Campaigns, and the Cartoons of Clifford Berryman; Images of the Madonna; Celebration of Quilts 2013; Lions Club International Peace Poster Contest, "Our World, Our Future"; Step Right Up! Behind the Scenes of the Circus Big Top. The City of Kingsville supports four of the museums vital positions which are the Curator, Visitor Services Staff which consist of two personnel, and Exhibit Fabricator. The museum has also participated in the Ranch Hand Festival Downtown in November, and the Parade of Lights in December. The museum intends to continue to participate annually in these events and other community events as appropriate. The Conner Museum has installed two new billboards on US Hwy 77 back in February to promote our community. After evaluating its advertising strategies, the Museum this year dropped some of its advertising in national publications and increased advertising in regional travel publications, including Texas Now aimed at visitors to the Coastal Bend and Viva Texas which targets visitors in San Antonio, the Rio Grande Valley, and Matamoros, Mexico. The museum plans to increase its advertising next fiscal year with a particular emphasis on attracting Winter Texans.

Mr. Plant further reported that new improvements were made to the museum. The museum is now equipped with a power-assist entry, making the facility more accessible to elderly visitors and visitors with disabilities. They have also added several new hands-on components aimed at making the museum experience more interactive. A new mammoth fossil exhibit and a South Texas rancho interior are nearing completion. Within the next fiscal year, the museum hopes to add new sections on Kingsville and Texas A&M University-Kingsville. Mr. Plant thanked the City of Kingsville for all their support.

Commissioner Leubert commented that during a visit to Rockport over the weekend, she received some really great comments about Mr. Plant. She further stated that the Conner Museum offers lots of activities for families.

Mr. Capell asked if the Conner Museum has tried to attach their efforts to hotel night stays which can be a benefactor to Kingsville. Mr. Plant responded that they have and this is why they aimed to change their focus in advertisement.

Mr. Bob Trescott, Tourism Director made a presentation to the City Commission regarding the Petra Vela Kenedy house. He stated that this house was built in the late 1860's in what is now known Kleberg County. The Kenedy's lived in Kleberg County for ten years on land that is now known as the King Ranch. The foundation which controls the house has offered it to the City with \$75,000 to accomplish the move. This historic home would be moved into the area where the pavilion is located on 6th Street. Mr. Trescott further showed a clip of a video that was aired on Kill Channel 3 as a Special Report on the Petra Vela Kenedy House.

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

6. Consider condemnation of structures located at 528 S. 18th Street, Kingsville, Texas. (Director of Planning & Development Services).

Mrs. Alvarez stated that since it did not get noticed, it wouldn't hurt to reset this condemnation for a future meeting.

Commissioner Leubert commented on the permits in which were issued to this particular property. Re-roof permit issued in July 2012 with an expiration date of December 2012, electric re-model permit issued on July 2012 expiring in January 2013. She further stated that it's the responsibility of the owner to begin the work after permits have been issued.

Daniel Ramirez, Building Official stated that normally when a contractor comes in for a permit to update meter services, the inspection gets done immediately. He further stated that it had been inspected and service is still brand new as it was one year ago.

Commissioner Leubert stated that if Commission allows the thirty days, the property owner has to do something to bring this structure up to code.

Mayor Fugate stated that his concern with this structure is that it is located near Harvey Elementary School.

Commissioner Garcia stated that normally when you rewire a home and passes inspection, the house is weathered in.

Commissioner Pecos stated that he knows the family and feels that Mr. Rios will bring this structure up to code.

City Commission took no action on this condemnation.

7. Consider condemnation of structures located at 1221 E. Huisache, Kingsville, Texas. (Director of Planning & Development Services).

Motion made by Commissioner Pecos finding not able to repair building or structure is unsafe; and present condition is a violation of ordinances; and cannot be corrected without substantial reconstruction; then declare the building or structure to be a public nuisance and order its demolition by owner/agenda/person in charge within 30 days. (City shall abate in any manner it deems necessary and proper), seconded by Commissioner Leubert. The motion was passed and approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

8. Consider condemnation of structures located at 422 S. 18th Street, Kingsville, Texas. (Director of Planning & Development Services).

Mayor Fugate stated that what struck him about comments made during the public hearing is that it is very disconcerting that the owner will not be putting any more money into this structure. Mayor Fugate asked Ms. Birker if she plans on putting any more money into this structure, Ms. Birker responded no.

Motion made by Commissioner Pecos finding not able to repair building or structure is unsafe; and present condition is a violation of ordinances; and cannot be corrected without substantial reconstruction; then declare the building or structure to be a public nuisance and order its demolition by owner/agenda/person in charge within 30 days. City shall abate in any manner it deems necessary and proper, seconded by Commissioner Leubert.

Commissioner Garcia asked for clarification on identifying the property. Mr. Isassi stated that according to the tax roll, the address is 422 S. 18th.

The motion was passed and approved by the following vote: Garcia, Leubert, Pecos, Pena, Fugate voting "FOR".

9. Consider condemnation of structures located at 1702 E. Fordyce, Kingsville, Texas. (Director of Planning & Development Services).

Mayor Fugate asked what shape the roof was in on this structure. Mr. Isaasi stated that the roof is in decent shape.

Mr. Capell stated that these structures are brought to the attention of the City Commission only because numerous complaints are made by neighboring properties.

Commissioner Leubert stated that the property owner needs to decide whether the structure can be restored and restored quickly.

Commissioner Pecos commented that he would like to give the property owner the opportunity to bring this structure up to code.

City Commission took no action on this condemnation.

10. Consider accepting the Comprehensive Annual Financial Report of the City of Kingsville for Fiscal Year 2011-2012. (Director of Finance).

Mr. Rushing stated that Mr. Luke Womack was present to provide information on the Comprehensive Annual Financial Report. Mr. Womack stated that there are two sets of financials today. He further reported that the in the General Fund has \$6.2 million, taxes receivable and various other receivables \$1.2 million. In restricted cash which is just under \$3.7 million, the \$3.7 million is from the landfill pre-imposed closure reserves that were set away over the years for a total asset of \$13,446,000. In liabilities there is \$2,712,000 with last year being \$3.1 million so liabilities are down primarily due to accounts payable. Total equity \$10,734,000 with last year being \$10,418,000, so the City in General Fund is in very good shape, that \$5.6 million is about \$1.6 million over what the City normally carries as a reserve of three months. Police forfeiture fund is very adequate with a total asset of \$5.1 million of which \$3.4 million is cash with equity of \$100,681,000 available for future expenditures. Debt Services has \$100,057,000 in assets including taxes receivable, and a liability of \$400,000 leaving them with a \$733,000 fund balance. Capital Improvements has a total asset of \$3.7 million with last year being \$5.0 million which has decreased by \$1.5 million which was expected due to borrowing bond money which will leave a balance of \$3,066,000. Mr. Womack stated that the City is in very good financial condition. Now looking at total revenue and expenditures, total revenues \$15,106,000 with last year being \$15,190,000 so revenue is still holding strong today. Total expenditures were \$15,552,000 versus \$14,000,000 which was up by \$100,000,000 due to expenditures planned during the budget for capital

improvements throughout the city. In net change in fund balances there was \$315,000,000, for fund balance equity of \$10,734,000. In the Police Department forfeiture fund brought in \$871,000 spent \$1,561,000 with a reserve of \$2 million which brought it down to \$1,681,000, which they still have a substantial reserves at the end of the year. Debt Service Fund brought in \$1,454,000 spent \$1,802,000 with a transfer in of \$427,000 resulting in a positive variance \$79,000 which is added to \$654,000 brings the balance to \$733,000. In Capital Improvements, very little money coming in, the income is only \$20,000 of interest earned on the bond proceeds. Spent was \$1.4 million which is depleted \$1.4 bringing \$4.3 million equity down to \$3,066,000. Mr. Womack stated that the revenues remain strong and reserves with four months of expenditures will be \$4,000,000. He further stated that the General Fund is in very good financial conditions, Police forfeiture fund is still heavily capitalized, debt service fund with \$733,000 is more than adequate. Capital Improvements are depleting based on the budget. Mr. Womack stated that the financial condition of the City is in excellent shape. During an Audit Committee meeting, they discussed one repeated finding in the condition of the accounting records as well as the investment policy and hours that need to be obtained.

Motion made by Commissioner Leubert to accept the Comprehensive Annual Financial Report of the City of Kingsville for Fiscal Year 2011-2012, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pecos, Pena, Garcia, Leubert, Fugate voting "FOR".

11. Consider a resolution authorizing the Mayor to enter into the First Amendment to the Interlocal Cooperation Agreement between the City of Kingsville and Texas A&M University-Kingsville relating to engineering design work for Kleberg Avenue from Kleberg County Courthouse to Third Street. (City Engineer/Public Works Director).

Mr. Charlie Cardenas, Public Works Director/Engineer reported that this is for the design work on Kleberg Ave. There were some elements that needed to be upgraded one being the pedestrian and ADA elements.

Commissioner Leubert asked that the additional amount of \$6,000 will increase the contract price to \$35,000 for additional engineering design on 6th Street. Mr. Cardenas stated yes, to allow the upgrade of the pedestrian elements such as audible push buttons and ADA ramps.

Mayor Fugate asked if there would be a presentation to the Commission regarding this project. Mr. Cardenas responded that he would like to do a tour presentation to the City Commission and the downtown management district. Mayor Fugate asked for a cost estimate as to what this project will cost. Mr. Cardenas stated that the estimate would be \$800,000 to \$1 million in construction dollars. He further stated that with a project of this type, it will not be done in-house. This project will require going out for contractual bids.

Motion made by Commissioner Pena to approve this resolution, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

12. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 budget of the General Fund for the City of Kingsville for the First Amendment to the Interlocal Agreement with Texas A&M University Kingsville for engineering design work for Kleberg Avenue. (Director of Finance).

Mr. Rushing stated that this is a budget amendment for agenda item #11 for an increase of \$6,000.

Introduction Item.

13. Consider a resolution authorizing the Mayor to enter into an Interlocal Cooperation Agreement between the City of Kingsville and Texas A&M University-Kingsville relating to usage of facilities and signage. (Mayor Fugate).

Mr. Scott Gines, Vice President of Intercollegiate Athletic & Campus Recreation at Texas A&M University-Kingsville, stated that this is an integrate partnership with the City to transform Javelina Stadium's track and field surface and other amenities around the stadium. This is a partnership agreement with no new monies that came from the institution itself. This was based on traffic generated in this stadium. Other partners involved are several Independent School Districts.

Mayor Fugate asked Mr. Gines to talk about some of the championship games that he is trying to pursue. Mr. Gines stated that the most recent event was bringing back UIL to Kingsville which was a two year agreement for track and field which brought over 1,000 participants that took place the third week in April. The University is attempting to bid on future events to be held in their stadium. Mayor Fugate asked for a cost estimate of the improvements. Mr. Gines stated that the field cost is \$1.7 million and some of the external entrance items are about \$600,000, which is on a separate business plan.

Commissioner Pena asked if Mr. Gines could reveal the agreement that they have with the ISD's. Mr. Gines stated that the City has the lowest portion of all. The other two agreements are for \$50,000 and \$80,000 per year for a five year contract with renewal aspects, given the nature of the agreements and the A&M System and what is allowed. Commissioner Leubert stated that the ISD's use the stadium for their games and any other events. Mr. Gines stated that those agreements have been expanded progressively into multiple sports, practices, practice opportunity in sub-varsity and middle school contest over the last six years.

Commissioner Pena asked Mrs. Alvarez for her comments regarding this resolution. Mrs. Alvarez responded that the money is coming from a legitimate source and in speaking with Mr. Gines, he has advised that they have billboards in the Stadium and along the roadway as well that they will allow City usage to scroll messages for public services or public health and safety issues. She further stated that since the City does not have adequate facilities for holding meetings, they have offered space within the campus to the City. Commissioner Pena stated that nowhere in the resolution is this stated to reference this purpose. Mrs. Alvarez stated that the City is providing the money and the A&M System can put it in whatever fund they need to put it into, so long as the City receive the ability to use the facilities and signage.

Commissioner Garcia asked how many meetings will be held in their campus and is it worth the \$25,000. He further stated that his concern is that we need to connect purpose and funding to make sense. He stated that \$25,000 for a meeting place sounds like a large amount of money to pay when the City can get meeting space for a small cost. He stated that he is not against the idea of this resolution, but would like to connect the purpose and funding in order for it to make sense.

Mayor Fugate requested that more language be put into this resolution stating how this would be beneficial to the City. He further stated that he would like for Mrs. Alvarez to further review this resolution and bring back to City Commission at a later meeting.

No action taken.

14. Consider resolution authorizing the City Manager to execute an Interlocal Agreement for E9-1-1 Public Safety Answering Point Services between the City of Kingsville and the Coastal Bend Council of Governments. (City Manager).

Motion made by Commissioner Leubert to authorize this resolution, seconded by Commissioner Pena. The motion was passed and approved by the following vote: Pecos, Pena, Leubert, Fugate voting "FOR". Commissioner Garcia not available to vote on this item.

15. Consider waiving landfill fees associated with community cleanup project for the health and safety of residents performed by First United Methodist Church, UM Army Camp. (City Manager).

Mr. Capell stated that this cleanup is for a good cause. At this time there is no estimate of tonnage that will be disposed of at the landfill.

Motion made by Commissioner Pecos to waive landfill fees associated with community cleanup project performed by First United Methodist Church, seconded by Commissioner Garcia.

Mr. Pete Pina, Interim Landfill Supervisor stated that as of today, only one load has been disposed of at the landfill. He further stated that there will be more loads to be dumped later in the week.

The motion was passed and approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

16. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewer, providing for an increase in sewer rates. (Director of Finance).

Mr. Rushing stated that these are scheduled increase rates in accordance with the water and wastewater models provided by HDR Engineering in which the City entered into in September 2010 which runs into fiscal year 2015. The increase that is scheduled based on the model is 1% increase in water and 3% increase in wastewater. He further stated that in water model over a 5 year period, there is a 7% increase and the wastewater there is a 16% increase. Due to the City freezing increases over the past few years, now it's time to play catch-up in this process of the rate models.

Commissioner Leubert stated that however taxes have increased. Commissioner Pecos stated that property taxes have not increased. Commissioner Leubert stated that the appraisals have increased. Mr. Capell stated that from a policy prospective it is best to have small increases rather than higher increases every seven to eight years.

Introduction item.

17. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Water, providing for an increase in water rates. (Director of Finance).

Introduction item.

18. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 budget of the General Fund for City Secretary Certification and City Manager Travel and Training. (Director of Finance).

Mr. Rushing stated that this funding will come from a rebate that came back on the fees of the Appraisal District which had some savings in the expected budget that allow the transfer of \$2,000.

Introduction item.

19. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 budget of the General Fund for City Commission Travel and Training. (Director of Finance).

Mr. Rushing stated that this will also be transferred from the same line item as stated above which will give an additional \$400 per Commission member on Travel and Training.

Introduction item.

20. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 Certificate of Obligation 2013 & 2011 Fund Budgets and Storm Water Utility Fund Budget for Street and Drainage Projects. (Director of Finance).

Mr. Rushing reported that a reduction in fund 065, CO 2011, which had projects originally budgeted that was able to be reduced. Drainage project in fund 068, increase of \$566,855. Storm Water Utility Fund 055, original adopted budget was \$925,000. These were the drainage projects in the initial FY 2013 adopted budget before the CO 2013 issue. Budgets amend decrease for Storm Water in utility fund is \$925,000 which will be transferred to fund 068. Mr. Cardenas stated that the bulk of the project has to do with the drainage elements involved.

Mr. Capell stated that this is the first budget amendment that reflects the additional cost required to implement the new program for this fiscal year.

Introduction item.

21. Consider accepting grant in the amount of \$3,000 from Union Pacific Foundation for Keep Kingsville Beautiful to support cleanups. (Director of Planning & Development Services).

Motion made by Commissioner Pena to accept this grant, seconded by Commissioner Garcia and Commissioner Pecos. The motion was passed approved by the following vote: Pena, Garcia, Leubert, Pecos, Fugate voting "FOR".

22. Consider introduction of an ordinance amending the fiscal year 2012-2013 General Fund Budget for the City of Kingsville to accept a grant from the Union Pacific Foundation for Keep Kingsville Beautiful Program in conjunction with the Community Appearance Department. (Director of Finance).

Introduction item.

23. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 General Fund Budget for Community Appearance to fund demolition projects through the remaining fiscal year. (Director of Finance).

Mr. Rushing stated that this item will appropriate \$35,830 for property owned abatement agreements for July \$12,730, August \$4,240, and September \$7,420 for a subtotal of \$24,390. In addition there is another \$11,440 which is for two different demolitions. The two demolitions are the water tank and the old fire training building.

Introduction item.

24. Consider request from County to fund up to 1/3 of the estimated \$17,375 cost to repair the equipment barn at the L.E. Ramey/County Golf Course, which is contingent on the remaining funding being obtained from other sources first. (City Manager).

Mr. Capell stated that the Golf Course Manager has approached the City for monetary assistance in the repair of the equipment barn. The estimated portion requested is \$5,792 which will be transferred from the catering fund of 103.0-319.00.

Mayor Fugate asked if this will be a new roof placed on the barn. Mr. Al Gola stated that it will be replaced with a new roof and has received a bid from Gillespie Roofing which was the lowest bid of two submitted. He further stated that the Kleberg County Commissioner's Court has approved their share of the cost during a meeting held today.

Motion made by Commissioner Pena to approve request from County to fund up to 1/3 of the estimated \$17,375 cost to repair the equipment barn at the L.E. Ramey/County Golf Course, seconded by Commissioner Pecos and Commissioner Garcia. The motion was passed and approved by the following vote: Garcia, Leubert, Pecos, Pena, Fugate voting "FOR".

25. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 Budget for the General Fund to assist with repair costs to the Equipment Barn at the L.E. Ramey/County Golf Course. (Director of Finance).

Introduction item.

26. Consider introduction of an ordinance amending the Fiscal Year 2012-2013 General Fund budget for Community Appearance to purchase benches and litter/recycling receptacles for the downtown area. (Director of Finance).

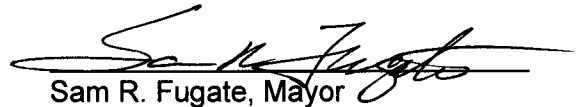
Mr. Rushing stated that is a budget amendment to purchase benches and litter/recycling receptacles for the downtown area. The total proposal is \$21,175 of which \$6,400 is being contributed for the purchase of five benches. The request is for the City to contribute the remaining \$14,775 for the purchases of seventeen litter/recycling receptacles.

Commissioner Garcia asked if the current benches will be replaced by the new benches. Mrs. Cynthia Martin, Downtown and Volunteer Manager stated that the current benches will not be replaced with the new ones.

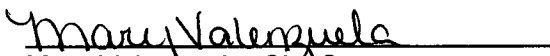
Introduction item.

VII. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 8:35 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, City Secretary