

SEPTEMBER 4, 2013

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON WEDNESDAY, SEPTEMBER 4, 2013 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 4:00 P.M.

**CITY COMMISSION PRESENT:**

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

**CITY STAFF PRESENT:**

Vince Capell, City Manager  
Mary Valenzuela, City Secretary  
James Bryson, Accounting Manager  
Charlie Cardenas, Public Works Director/Engineer  
Mark Rushing, Finance Director  
Emilio Garcia, Health Director  
Ruthie Valdez, Interim Library Director  
Joey Garcia, Information & Technology Librarian  
Diana Gonzales, Human Resources Director  
Courtney Alvarez, City Attorney  
Tony Verdin, Information Systems Technician  
Robert Isassi, Planning & Development Services Director  
Melissa Perez, Risk Manager  
David Mason, Purchasing/IT Director  
Stacie Pena, Accounting Supervisor  
Bob Trescott, Tourism Director  
Susan Ivy, Parks Director  
Willie Vera, Task Force Commander  
Marco Jimenez, Water Supervisor  
Frank Garcia, Wastewater Supervisor  
Joe Casillas, Water Production Supervisor  
Bill Donnell, Assistant Public Works Director  
Joey Reed, Fire Chief

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate called the meeting to order in the Robert H. Alcorn Commission Chamber at 4:00 P.M. and announced quorum as present. Mayor Fugate announced that he would like to waive the preliminary proceedings, and go right into the workshop.

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

**1. Review and discuss proposed fiscal year 2013-2014 budget for departments of the City of Kingsville. (City Manager).**

Mr. Capell commented that he would like to give a follow-up on the two questions that were asked by the Commission. The first question asked was with regards to \$46,000 under City Special budget, special services line item. Mr. Rushing stated that this is for fees that are charged for online payments in Municipal Court and Utility Billing done by Visa and Master Charge which are charged \$.02 per transaction and debits are charged \$.52 per transaction which make up the \$46,206. Mr. Capell stated that the second question was from Commissioner Pena with regards to cases filed by Code Enforcement. Mr. Rushing explained cases submitted by Code Enforcement and how these cases are disposed.

Mr. Capell stated that part of today's agenda is that at the end of this meeting he would like to receive directions from the Commission as to where they think we are or need to be with regards to the budget. Whether we need additional meetings or is there additional information staff needs to provide to Commission. Mayor Fugate stated that he intends to allow each Commission member an opportunity to give an overall view or opinion on how they feel about the proposed budget. Mr. Capell stated that he would like to also go over some of the proposed changes that he has made to the budget.

**Health – Emilio Garcia, Health Director**

Mr. Garcia reported on the Health Department's proposed budget. He stated that on April 26, 2013, Senate House Bill 360 was passed by the State Senate and was signed into law by Governor Perry on May 10, 2013 which made the bill effective immediately. The bill states that all animal shelters in Texas using compressed carbon monoxide chambers to euthanize unwanted dogs and cats, may no longer use this form of euthanize. What is being required by the animal shelters is that if animals are going to be euthanized you must administer sodium pentobarbital which is injected. Mr. Garcia stated that by this, the Health Department is requesting an additional \$10,000 for professional services to pay for a professional veterinarian to administer the sodium pentobarbital. He further stated that the compressed carbon monoxide chamber can still be utilized for skunks, raccoons, possums, and armadillos.

Commissioner Leubert asked if these animals could be released out in the country areas. Mr. Garcia stated that they can be released, but they will find their way into the city which could be a risk for the City if one of those animals transpires rabies. Commissioner Leubert asked if the additional money being asked for to euthanize for dogs and cats, does that include any money for veterinarian work that needs to be done to animals in the shelter. Mr. Garcia stated that an additional \$1,000 was request for now.

Commissioner Pecos asked if the amount of \$10,000 is also being matched by Kleberg County. Mr. Garcia stated that this is the city's half portion.

Commissioner Leubert asked if there was money in the budget for education outreach on spay and neuter. Mr. Garcia stated that there wasn't any money requested for advertisement. Commissioner Leubert requested for money to be placed for the education of spaying and neutering. Mayor Fugate stated that it is a good idea to put some money for education outreach.

Commissioner Garcia asked about the condition of the building. Mr. Garcia stated that the building is in good condition.

Commissioner Leubert also stated that another thing to look into is going back to licensing tags for animals. Mr. Garcia stated that the Health Department recently purchased a scanner to scan animals for identification chips.

#### **Parks Department – Susan Ivy, Parks Director**

Ms. Ivy stated that her budget for the Parks Department has been cut quite a bit by the County. She further stated that the County employees will be receiving a raise but the operating expenditures have gone down. Capital improvements that were proposed have come out. The only capital improvement that remains is the water trade. Ms. Ivy reported on projects that are currently being done at the parks. She further stated that she has received a quote from Maltby Builders to replace the roof on the main building and the two cabana shelters at the Brookshire Pool of \$28,515. She further stated that they have tried to get funding for the replacement of the stall partitions in the recreation hall which was estimated at \$5,000. There are a couple of softball baseball fields out at the park where the fencing is in a condition that needs to be replaced which was estimated at \$35,000. She further stated that the roof at the maintenance yard needs to be replaced. She further stated that she can speak about more things that need to be repaired/replaced that can add up to big dollar amounts, but she understands that the County is under financial strains, but this is what is found that is necessary to replace. She further stated that it is very hard for her to come to the City and ask for assistance when she doesn't have anything to match with.

Commissioner Pecos stated that it is unfortunate of the situation that the County is in, but he does appreciate the fact that Ms. Ivy fights for what is needed to keep the parks in good shape. He further stated that he understands Ms. Ivy as his department budget with the County was also cut. Ms. Ivy stated that one of the things she would like to discuss with the Commission is the water trade. She stated that they are going way over the water trade. She stated that with a bill they have now through the month of June, they are at \$62,000. According to the bill, there is a \$46,000 credit and stated that she thought the \$25,000 for the soccer complex was a trade, which is not reflected on the bill. Ms. Ivy stated that there has been a grant approved through one of the coastal grants to place water well at the park, but not sure of the timeline for this water well as it's being reviewed by an Engineer.

Commissioner Garcia asked if this particular grant requires a match. Ms. Ivy responded no, the grant will pay for it completely. Commissioner Pecos asked where the new water well will be placed. Ms. Ivy stated that it will be placed next to where the old one by the ball field.

#### **Library – Ruth Valdez, Interim Library Director**

Ms. Valdez reported that the Library city budget is for \$267,827, which is the same as the current budget. Their goal is to promote the library into provide educational services and programs to the community. Ms. Valdez read a quote by Emily Buford "Children are made readers, on the laps of their parents." She further stated that the library is all about the children.

The children are who brings the parents to the library. Ms. Valdez reported that there have been no problems with the air conditioning or the plumbing at the library. She further stated that in the budget there have been some increases and decreases, which still balance out their budget.

Mayor Fugate stated that two years ago the city agreed to split the cost for the air conditioner, and the offer still stands today. He further stated that it's unfortunate that the County hasn't responded on that offer.

Commissioner Pecos asked Ms. Valdez if the County has cut the Library budget. Ms. Valdez stated that they were asked to cut back on their budget, in which the Library cut \$2,000 from their budget.

Mayor Fugate asked what is the amount the County will be providing the Library and stated that the City Manager is wanting give the Library \$267,827. He further asked if this was only the city's half or is this including the Counties half portion as well. Ms. Valdez stated that this is only the City's half portion and the County should match it to that amount. She further stated that they have met with the County once and was asked to cut back on their budget, in which they cut back \$2,000 and since then they haven't met with the County again.

Commissioner Pena asked if the County budget should be equal to what the City is proposing. Ms. Valdez responded that it should be of equal. Mr. Capell stated that it's not a problem sharing the salaries. It's a challenge for the non-salary items, which the County provides less than 50% on the other items. The City usually provides more than 50% the majority of the time. Commissioner Pena asked for a total dollar amount. Ms. Valdez stated that without the salaries, they proposed \$77,859 and the current budget was \$79,127, which was a \$2,000 less decreased. She further stated that with the salaries included \$267,827 with current year being \$252,049 which is an increase of \$15,335.

Commissioner Pecos asked if the reduction was in any specific item. Ms. Valdez stated that the reduction was in books.

Mayor Fugate stated that he appreciates everything the Library does. He further stated that the staff reports shows everything they do for children and the community.

Commissioner Leubert commented on the great job Ms. Valdez is doing as an Interim Library Director. She further stated that the Library provides a lot for the children but also for the adults.

#### **Tourism – Bob Trescott, Director of Tourism Services**

Mr. Trescott commented on the centennial that occurred over the weekend. He stated that one of the most popular exhibits there was that of the Library. He further reported that as for Tourism, they are completing a transitional year and beginning a new transitional year. Mr. Trescott stated that a staff was built from scratch and repaired/upgraded a facility and systems. Expenses were cut that would support the City which is reflected in this new budget. He further reported that a lot of time and money was spent on the Visitors Center and the Train Depot. They participated in leadership transition for the Conner Museum to return attention to the developing programs and marketing to support tourism directly. He further reported that they have developed a robust City historic preservation program with an upgraded historic development board. He stated that they will be taking the delivery of a new historic resource survey and inventory with related tools and its capabilities. Mr. Trescott stated that their emphasis this year is to take downtown management from Texas main street planning effort to a staffing and implementation of a comprehensive downtown program. He further stated that their goal is to support institutional goals of their partners through support of their gatherings and events while supporting the important tourism industry and the economic multipliers that translate to the general economic development. He stated that there aren't any changes to their proposed budget.

Mr. Capell asked about the \$289,544 listed under donations. Mr. Rushing stated that this is the amount left when the Kingsville Convention & Visitors Bureau closed out. Mr. Trescott stated that this is a reserve fund balance. Mayor Fugate asked what the fund balance is for Tourism. Mr. Capell stated that they have one year of reserves in their fund balance. Mayor Fugate stated that since Tourism has been incorporated into the City's budget, is it necessary that they have a fund balance. Mr. Capell stated yes, because if something major happens they need something to go back to. Mayor Fugate asked if something happens, doesn't it fall back on the City. Mr. Capell stated that it doesn't hurt for the Tourism to have a fund balance. He further stated that he would be reluctant to reduce their fund balance below 90 days, which any fund that has employees and normal annual ongoing operations, should have at least a 90 day fund balance.

#### **Tourism (Conner Museum) – Jonathan Plant, Executive Director**

Mr. Plant reported on the expenses and revenues for the Conner Museum for current year 2013. He stated that the largest amount of their expenses is in salaries, wages and benefits for

\$52,582.37 which includes the positions of Exhibit Curator, Museum Educator, Exhibit Fabricator, and Visitor Services Specialists. These positions are paid with revenues from hotel/motel taxes. The Curator is responsible for scheduling, installing, and disassembling temporary exhibits and developing and installing new permanent exhibits. The Museum Educator coordinates exhibit programming. The Visitor Services Specialists serve as the initial point-of-contact with museum visitors and provide general information about the Museum and its services, as well as directions to local businesses and other community attractions. He further reported that \$10,447.28 is for rental fees for exhibits as well as the ancillary fees such as shipping fees, programming fees, and reception fees. He further touched on the advertisements of the museum placing monthly and quarterly advertisements in regional travel publications and other advertisement, for a budget of \$15,338.16. He stated that the FY2013 total operating expenditures is \$78,367.81 with the FY2013 net revenues over expenditures of \$7,364.19. The projected fund balance on August 31, 2013 is 28,209.14. He further stated that the projected fund balance is \$28,209.14. He stated that their actual fund balance will probably not be available until October 31, 2013. Mr. Plant further reported on the projected budget for 2014. He stated that if the hotel/motel tax revenue will continue to grow at the same rate of increase from FY 2013-2014 as it did from FY 2012-2013, they project funds will increase 12%. However, if tax revenues decrease, they will rely upon carry-forward funds to continue to meet these requirements. He further reported on the wages, salaries and benefits at a cost of \$54,000, exhibit fees for \$12,000, and advertisements at \$18,406. The total projected operating expenditures is \$84,000 with a net operating expenditures over revenue of \$12,019.84. Their projected fund balance for 2014 is \$40,228.98.

**Debt Service and Certificates of Obligation – Charlie Cardenas, Engineer/Public Works Director and Mark Rushing, Finance Director**

Mr. Cardenas reported on fund 64, Certificate of Obligation for Solidwaste. He stated that this is the dumpsters, 54yds and 53yds, in which they are proposing \$57,500 for 100 dumpsters to be purchased under this CO fund. Under the same CO fund, is the permit amendment for the landfill expansion to go 20ft deeper and 15ft higher \$127,303. Mr. Cardenas further reported on the repairs and replacements sewer line and manhole for \$55,000.

Commissioner Leubert asked if the \$55,000 was for sewer lines or utility plant. Mr. Cardenas stated that its for sewer lines & manholes. Mr. Cardenas touched on fund 65, street repairs for 2014, \$985,768. He further continued with fund 66, \$68,000 for equipment for the new proposed water well #25, and the new water well sight is \$50,000. He further stated that according to the water model was to build a new water tower for \$1,076,250. For the construction of water well 25 it is proposed at \$888,853. Commissioner Garcia asked how far down they plan to go with the water well. Mr. Donnell stated 800 feet. Mr. Cardenas touched on the water line from the east and west tower over on Kenedy Street which is 8,000ft of 8" waterline for \$643,500. In fund 67 is the same as fund 65 which is a funding source to do asphalt streets for \$333,000 plus the 985,768 that was proposed in fund 65. In drainage fund 68, it is proposed \$1.3 million for the drainage portion of the street repairs. He further stated that in fund 65 there is an amount of \$200,000 for minor crack sealing and fog sealing on Santa Gertrudis and Sixth Street which will extend the life of the street.

Mayor Fugate called for a break in the budget proceedings at 5:40 p.m.

**6:00 P.M. – Regular Session of the Agenda continues**

Mayor Fugate called the meeting back to order in the Robert H. Alcorn Commission Chamber at 6:00 P.M. and announced all five members of the Commission are present.

**MINUTES OF PREVIOUS MEETING(S) – Required by Law  
NONE**

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

**1. Public Hearing on a proposed tax rate increase from \$.8422to \$.90060 for Fiscal Year 2013-2014. (Finance Director).**

Mayor Fugate announced and opened this public hearing at 6:04 p.m.

No comments were made during this public hearing.

Mrs. Alvarez stated that by law it is required to read a statement that states, **the vote to adopt the City of Kingsville's 2013-2014 fiscal year tax rate will take place on Monday, September 16, 2013 at a City Commission meeting at 6:00 p.m. in the Alcorn Commission Chamber, here at City Hall located at 200 E. Kleberg Ave. Kingsville.**

Mayor Fugate asked City Attorney Alvarez if there is a length of time this public hearing is to stay open as required by law. Mrs. Alvarez stated that there is no length of time in the tax code that is required to leave this public hearing open.

Mayor Fugate closed this public hearing at 6:06 p.m.

**2. Public Hearing on proposed Fiscal Year 2013-2014 budget. (Finance Director).**

Mayor Fugate announced and opened this public hearing at 6:06 p.m.

Mayor Fugate asked if by doing this would it prevent us from continuing the discussions on the proposed budget. Mrs. Alvarez stated that there is an agenda item after this public hearing that will allow the continuation of discussions on the proposed new budget.

No comments were made during this public hearing.

Mayor Fugate closed this public hearing at 6:07 p.m.

**III. Reports from Commission & Staff.<sup>2</sup> (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, 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. No formal action can be taken on these items at this time."*

Mrs. Alvarez reminded staff to be in attendance at the next special meeting scheduled for Monday to introduce an ordinance for the adoption of the 2013-2014 budget and tax rate.

Mayor Fugate reported that Representative Lozano will be speaking on Legislative Updates at the Methodist Community Life Center on September 5, 2013 at 7:30 a.m.

**IV. Public Comment on Agenda Items<sup>3</sup>**

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

No public comments were made.

**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)*

NONE

**REGULAR AGENDA**

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

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

1. **Review, discuss, and receive direction from the Commission as to City Manager's proposed fiscal year 2013-2014 budget for departments of the City of Kingsville. (City Manager).**

Discussions continued on the proposed budget for 2013-2014.

Mr. Rushing discussed fund 039. He stated that within this fund is the 2002-2002A general fund portion and the only expenditures in this fund is \$4,033 for the landfill fence repairs. No expenditures in fiscal year 2014, 2002-2002A. Mr. Rushing further touched on the debt service for 011 and 012. In 011, \$1.1 million in principal, interest is \$317,000 and in other expenditures which relate to the fees that are charged in handling these accounts \$1,250. The total for payments is \$1,000,460. Mr. Rushing stated that in fund 055, debt service, it's an enterprise portion that is collected through utility billing and those monies come in and used to finance the debt service schedule for the drainage where there was \$4,325,000 that was financed in CO 2013, which was the drainage portion that is in the model for stormwater drainage. In the first year, which is FY 2013 were collecting \$225,836 in revenues. The first payment in the debt service schedule doesn't incur until FY 2014, there will be a half a million dollars collected and as we move forward there is transfer out for \$174,734 going to 012 which is the enterprise portion of the debt service schedule. He further touched on fund 001, for FY 2014 there is \$275,890 which is transferred out of 001 to help finance the surplus items that are funded out of 091, and that will correspond with the transfer in that comes on 091 from 001 which correspond at the same dollar amount. Fund 087 is the additional garbage fees that were installed in 2009 in which the city had additional garbage fees that were implemented, but one of the requirements the Commission had was that additional increase in revenues be utilized only for the solid waste department. He further stated that in one year's time, the city pulled in \$479,480 from those additional revenues that were adopted during that point. He further stated that there is \$116,199 in the sanitation collection department for equipment which is for brush tractors. In landfill relating to fund 087 expenditures, there is equipment for \$135,000 which is for a dozer with a six way blade. The other component of the landfill expansion is being funded from 087 funds. Mr. Rushing stated that fund 087 can be used for debt service or capital outlay, once the debt service is satisfied, you can use any access money collected for capital outlay for the solid waste department. He stated that there is a transfer for \$429,577 from fund 087 to 011 to pay for debt service on items that were financed through the 2009CO. Mr. Rushing continued on to fund 091, surplus, which is for the purpose of one time purchases and/or debt service or capital purchases. He touched on the transfer in from other funds into fund 091, there is \$275,890 from fund 001, \$975,136 from fund 065 which is for the city hall portion of the CO2011. He also stated that there is a transfer in 090 which is the landfill closure post closure in which we are loaning money to ourselves, that is money not needed at this point in time for the landfill closure post closure that is being transferred. The City will pay interest on this money at fair market value in which we have a debt service schedule to abide by in paying the funds back as needed. Mr. Rushing further mentioned that these are the revenues that going into the 091 fund. He further mentioned the \$35,000 for the Kleberg County Golf Course in fund 103, City Special. Mr. Rushing stated that reflected in this fund is the \$2.7 million for the building. Mr. Rushing further reported request made by the following departments. In the Planning Department, there is \$35,000 for consulting fees. Commissioner Garcia asked what type of consulting fees staff was looking into. Mr. Capell stated that this money would cover any updates made to the Master Plan, International Maintenance Code if the Commission decides to approve, and any other code updates in the Planning Department. Mr. Rushing stated that the breakdown is \$25,000 is for Planning & Zoning assistance and an additional \$10,000 for website upgrade. In building service there is \$25,000 for building regulation vehicle, also \$190,000 for Community Appearance for the asbestos removal at the old hospital, recycling there is \$20,000 for Recycling Center improvements. In the Sanitation Department a request of \$231,000 for a side loading vehicle, fund 91, Municipal Court is requesting \$6,100 for filing carts.

Commissioner Garcia asked what the records retention for these types of files is. Mrs. Alvarez stated that staff would need to look at the states retention schedule in order to answer this question. Commissioner Garcia asked if it is necessary to purchase the filing carts if there is a retention schedule for these types of records. Mr. Rushing stated that the City Secretary handles the records retention schedule and to put anything in storage the City Secretary must keep records of these files in storage. Mrs. Mary Valenzuela, City Secretary stated that it is not required for the City Secretary to keep records of files kept in storage. She further stated that if records were going to be destroyed, staff would need to fill out a destruction log and submit to the City Secretary for approval to destroy. Mrs. Alvarez stated that once a document has met the records retention schedule and ready to be disposed of, there is a form to be filled out stating what document it is that will be destroyed including the date it will be done.

Mr. Rushing continued with his discussion. In the Technology Department, Computer & Associated Equipment there is a request of \$52,614 for Laserfiche Management System and for the Incode upgrade is budgeted for \$15,000. Commissioner Garcia asked if the Laserfiche is to archive all records or a specific use for a department. Mr. Verdin stated that it will be implemented throughout departments but will be done in

phases which a timeline is being worked out by staff. He further stated that they will begin with the City Secretary's office and Human Resources Office once the software is purchased and installed. Mr. Rushing stated that the Fire Department is requesting \$14,850 for an extractor washing machine.

Mayor Fugate stated that these request have already been discussed during departmental presentations, therefore no need to discuss any further. Mayor Fugate stated that he would like for Commissioners to voice their opinions on the budget process and what they would like to change, if any changes are needed.

Commissioner Leubert stated that she would be happy to comment, however she would like some additional time to digest the information she has been presented.

Commissioner Pena commented that in looking at the entire budget, it is a conservative and aggressive budget in certain areas that are needed to update/upgrade equipment. He further stated that it is important to annually update equipment. Pena stated that his priority is the streets, which is a major concern for citizens. He commented on the fact that street problems have been identified and staff has worked on a timeline for street repairs. Pena stated that his second concern is public safety that being Police and Fire Departments staffing issues. He stated that he would have liked for the Fire Chief to have committed to additional staff. If the City was to commit and appropriate funds in a particular department, he feels that the Fire Department is a priority in terms of staff. He stated that after speaking about the 1990's and to get it to 2013 standards, it will take a serious commitment from this administration. Pena stated that staff needs to stay focused on the new City Hall which a priority. He further stated that it is important to keep the completion date of January, 2015 for the new city hall. In Community Appearance, staff needs to continue being committed in making Kingsville beautiful. He stated that citizens see staff efforts in cleaning up Kingsville, and staff needs to continue this priority. With regards to Parks system, the Commission will need to take a good look at this and see what a transition from the County to the City would incur. After hearing from the Parks Director, it is a real concern that the proper funding may not be there. He further spoke about the Tourism Department which is very important to the community. He stated that he has seen a list of projects staff is currently working on and would like to see completion dates for these projects. He stated that he has shared some of these ideas with staff that would assist with making this community more appealing to visitors. Pena commented that the Police and Task Force Department are doing a great job in patrolling our roads and would like to thank them for this. He further discussed the GCS building owned by the City. He stated that this building continues to be a problem and feels that the City needs to find some solution in selling this building and get the City off the financial responsibility of this building. This would free monies that can be used for higher priority issues.

Commissioner Garcia stated that he agrees with all that Commissioner Pena has just stated. He further commended the Municipal Court staff for their hard work in bringing up this department where it needs to be. He further commented on a tickler file to show when contracts are up for renewal. After the situation with CMA Cablevision where they were supposed to report audits to Commission on a yearly basis, which never happened. He further stated that with the cablevision contract expiring in 2015, he hopes to work out a better contract that will provide more channels then offered in the past with reasonable rates. Garcia that he was disappointed to hear the information Fire Chief Reed's presented. He further stated that he was disappointed in the past performance of Fire Chief's and their non-performance of their duties to the Fire Department. He stated that as far as manning the department, they have had suggestions in the past to increase the manpower with in this department, but because of revenues, they weren't able to fulfill the request of more manpower. He stated that with population growing in Kingsville, it may be time to look into a third fire station for a quicker response time to different areas within the City. He further commented that he would like to see more things happen within our city, but unfortunately we are limited with funds. He stated that, they as Commissioners have taken a stand on making sure that the City's finances and management is good. He further thanked staff for all their hard work they are providing to their city.

Commissioner Pecos commented he agrees with the comments made by his fellow Commissioners. He stated that he would like to give credit to Mr. Capell for holding up the City as far as taxation is concerned and being frugal with the budget, which has a lot to do with staff as well. Pecos stated that the City has several projects being worked on with the same income without raising taxes, and he commends staff for doing a great job. He stated that he is very proud of the City for handling its debts with the same amount of revenue without raising taxes and as the City moves forward, he hopes for the city to receive higher revenue. He further commented that he hopes that NAS Kingsville will increase their personnel, which will bring in more money into our community. He stated that if the City continues to move in a positive direction and

hopes to continue on this track. He stated that his only concern is that the City is currently in arbitration with the Kingsville Police and Fire Departments and is not sure of what types of request they are making from the City which could effective the proposed budget. He commended staff for doing an outstanding job.

Mayor Fugate commented that this is his tenth budget proceedings and the budget process is generally a very painful experience by trying to make things work. He stated that when he received the proposed budget, after reviewing it, he wouldn't change anything in it. It is a well written budget that makes sense and trust that the City Manager is doing the right thing for the City of Kingsville. He stated that during the spring, staff and Commission spent a couple of days going over goals for the City and where would like for the City to be, have been addressed in this proposed budget. Some of those being public safety, infrastructure, development, and other things that is important for our community. Mayor Fugate stated that the citizens of Kingsville are very fortunate to have this staff on board looking of the City of Kingsville. There are some things that are not addressed in this budget, but personally Mayor Fugate feels that 2014 will be Kingsville's breakout year. A lot of good things will be happening such as, Western Sky Apartments, Wildwood Trails Subdivision, Newman Center will be completed and other developers who are interested in developing in this community. He further stated that the City of Kingsville is a safe community to raise children and with the school district getting on the right track with Mr. Blaha, Superintendent to KISD is doing some great things with the school district. Mayor Fugate touched on the Parks system, stating that the City needs to take over all the Parks inside the city limits which will cost some money. He further stated that it's his understanding that the County has offered to pay for half with city's portion being around \$500,000. He further touched on the marketing company that is marketing Kingsville. Mayor Fugate stated that the City will be taking on a larger role in Economic Development once Mr. Dick Messbarger retires. He further stated that the Park system, economic development, and the marketing issue are tourism issues and feels that a great deal of money should come from Tourism. He further stated that overall, it's good to be Mayor of Kingsville.

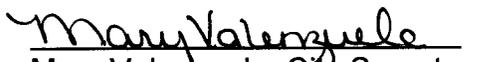
Mr. Capell stated that he appreciates the Commission comments and that things don't get done by the City Manager alone. It takes a great staff to come together and work well with each other. He stated that the way to get things done is by various departments cooperating with each other as a force multiplier. He stated that all his directors have expressed a willingness to assist other departments as to when we use to have a wall and no one would cross that wall to assist others. Now the Commission will see plenty cooperation, something that we can still get some improvement on but it has allowed us to accomplishment more of the needs. He further stated that without increasing taxes we get a lot of productivity out of staff to actually accomplish more and help move the City forward.

#### 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:

  
Mary Valenzuela, City Secretary