

AUGUST 24, 2015

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 24, 2015 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 4:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Dianne Leubert, Commissioner
Noel Pena, Commissioner
Al Garcia, Commissioner
Arturo Pecos, Commissioner (Arrived at 4:55 p.m.)

CITY STAFF PRESENT:

Courtney Alvarez, Interim City Manager/City Attorney
David Mason, Purchasing/IT Director
Tom Ginter, Director of Planning & Development Services
Emilio Garcia, Health Director
Deborah Balli, Finance Director
Diana Gonzales, Human Resources Director
Charlie Cardenas, Public Works Director/Engineer
Ken Starrs, Assistant Task Force Commander
Ricardo Torres, Police Chief
Robert Rodriguez, Library Director
Bill Donnell, Asst. Public Works Director
Tony Verdin, IT Specialist
Susan Ivy, Parks Manager
Melissa Perez, Risk Manager
Jimmy Saenz, Golf Course Manager
Charlie Sosa, Street Supervisor
David Bodiford, Accounting Supervisor
Stacie Pena, Accounting Manager
Cynthia Martin, Downtown & Volunteer Manager
Joe Casillas, Water Production Supervisor
Leo Alarcon, Tourism 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 with four Commission members present. Commissioner Pecos will be arriving late.

Mayor Fugate asked Interim City Manager if the Commission is to go right into the budget workshop.

Mrs. Alvarez responded that the way the agenda is setup, we will convene into the budget workshop and at 6:00 p.m., Commission can resume the regular portion of the meeting. The Commission at the last meeting had asked about the payoff for the Texas Capital Fund Note on the building that is last occupied by GCS and is currently occupied by the University. The original loan payoff was November 1, 2021, back on April 18, 2006 the City received a twelve month deferment. Whenever the last occupant left the building and then the new estimated loan payoff is November 1, 2022. This is according to the Texas Capital Fund, as she spoke with them on this date.

CONVENE INTO BUDGET WORKSHOP:

Review and discuss proposed fiscal year 2015-2016 budget for departments of the City of Kingsville. (Interim City Manager).

Health Department 001-440

Mr. Emilio Garcia reported he has requested additional supplemental expenditures of \$3,000 under minor vet care to provide more services to animals that are being impounded. In the past it has been used to give age appropriate shots and vaccinations. This year he would like to purchase K-9 Parvo Shots and syringes to provide to dogs that are one year old and younger that enter the Health Department facility. Also requested is funding to purchase Shelter Pro Managers Software. The cost for this software is around \$4,000, which will be split between the City and County funds. This will assist in tracking all animals that come in and out of the shelter. Under the minor equipment line item, it is being requested to construct and install ten (10) outside dog kennels, which will help with the overflow of animals in the facility. The total cost of these kennels is \$22,840.00, which will be split between the County and City.

Commissioner Leubert asked if staff will be adding spring covers to these kennels or will they just be open.

Mr. Garcia responded that they will be open but will have a roof. The slab will be 40ft long by 8ft wide on a six inch pad with an incline for the drainage so that when staff goes and wash sanitize it will flow into the sewer system. During the winter season, dogs will be kept indoors, but if the overflow occurs, they will be used during this season and dog domes will be purchased. Garcia further commented that plans on having this constructed on the Southside of the building where there already exist a caged in area which is a dog run at this time. Garcia stated that the County has already approved there portion of the money at the last meeting. The other thing being requested is a one-time purchase of a bio scanner of Time Clock Plus for the shelter. The reason for requesting this is that when Animal Control Officer are on call, they have to go and clock-in at the Police Department. By having their own scanner at the shelter, they can go in and punch in and get to work immediately.

Commissioner Garcia asked that what was stated that the \$4,000 software is going to be used to identify the animals that come in and out of the shelter. What process is staff going to be used to identify the animal?

Mr. Garcia responded that they can probably designate a number to them on a yearly basis.

Commissioner Garcia further asked if it will have digital pics of each animal.

Mr. Garcia responded that this software is capable taking digital pics. He further stated that the only thing this that was not included in this software was the capability to pay with a credit card.

Commissioner Garcia asked that with regards to the kennels being proposed, what is going to be the location of these kennels.

Mr. Garcia responded that they will be installed on the Southside of the building.

Commissioner Garcia also asked for the height of these kennels. Mr. Garcia responded that they will be five feet high. Commissioner Garcia stated that what he is concerned about is the height as staff needs to walk in and out of this area. Mr. Garcia responded that it will be fine as stated.

Commissioner Leubert thanked Mr. Garcia for including the Parvo in the budget. She also stated that she feels that the Health Department has made great strides just in this last year because everybody she speaks to, which everyone is on Facebook, and having the rescue people coming in and working with staff and getting information on Facebook has really helped. She then asked how much euthanasia has been done this last month.

Mr. Garcia responded that this past month 22 dogs were euthanized.

Commissioner Leubert further stated that this is because staff has been working with rescue groups and without working with them, number would probably be higher.

Mayor Fugate asked Mrs. Alvarez that he has noticed that there is some extra overtime included in this budget, is there a reason for this increase.

Mrs. Alvarez responded that the department requested the additional overtime.

Mayor Fugate stated that it seems considerably more than what was approved this last fiscal year.

Mr. Garcia responded that the overtime was based on last year's numbers.

Parks Department 001-450

Mrs. Susan Ivy, Parks Manager, reported since this is her first year of going through a budget process, she would like to thank everyone for a smooth transition from the County to the City. She stated that one of the highlights is the presence made by the Kingsville Police Department at Dick Kleberg Park which has made a difference in the amount of vandalism in this area. The business of doing business with the City is much easier. Ivy also stated that having P-Cards has cut back on some work in the office. The standard of professionalism within the City policies and procedures in place and the amount of support her department receives from the City has helped her department. Some of the things that her department was able to accomplish last year with the assistance of the City is the old water storage tank at the park has been removed, new roof at Brookshire Pool as well as new picnic tables, and new bucket for the tractor. The recreational hall has been improved and new park equipment in various parks since the transition. They would like to concentrate more on community programing and not so much on

things that the Tourism Department can do for this department. Ivy is also looking into updating their master plan in order to score higher for the qualifying points that help guarantee funding through certain grants. A new rental rate is being worked on for the use of all facilities.

Mayor Fugate commented that a skate park and splash pad is what he is expecting to see in the CO's this next winter, but now is the time to start planning for these things. The City has to find more things for our kids to do in this community.

Mrs. Ivy reported that in the budget that is being proposed by the City Manager's Office, it allows to increase seasonal staffing, additional small equipment purchases, and increase training for staff. Staff is working with the Extension Office to get Master Garden Training and get Sports Field Management Class to the Extension Office. Proposed funds have been allowed for advertisement for events within the community. This will allow for word to get out to the community of what events are occurring within our community.

Mayor Fugate asked with the additional seasonal employment, would it be possible to get extended hours at the pool.

Mrs. Ivy responded that additional funding for temporary staff has been given for this purpose specifically. She further stated that discussion has taken place with staff to possibly add additional attractions at the pool that would make more attractive, such as a water volleyball league that may attract some teams. Mrs. Ivy stated that staff is working on a rental fee schedule for use of the facilities within the Parks. This will be something that will be brought to the City Commission for their consideration. Mrs. Ivy went on to speak about the Parks Department budget. Ivy stated that in the supplies line item it has been reduced, although they make lots of purchases from this line item but will try to find ways to assist in reducing these cost. She further stated that there were a lot of one time tool purchases that are not repeat purchases. Under the chemicals line item, there is an increase for chemicals for the Brookshire Pool. Staff will need to look into resurfacing the pool in the future as it is going to require it soon.

Commissioner Garcia asked if staff has a dollar amount of what it would cost to resurface this pool.

Mrs. Ivy responded that she has contacted several companies and is waiting for information on the resurfacing of the pool.

Commissioner Garcia stated that his concern is that staff is putting aide to the pool and putting more money into it.

Mrs. Ivy responded that there are some hard questions to answer and it would be nice to have an Olympic size pool as swim teams are growing. So the question is how much money do we want to continue to put into this pool and do we want it to continue to be at the location it's in right now or a move it to a more central location. Also do we want a water feature at Dick Kleberg Park so that it enhances the tourism possibility to attract people to our community. These are questions that we need to take into consideration.

Mayor Fugate commented that swimming pools do better if they are kept running all year. Once pumps have been shut down, the life expectancy is gone. In order to maintain a pool, it must be kept watered.

Mrs. Ivy continued in her discussion of the Parks Department budget. New funding for the Parks Department include professional services for GPS to be installed in their vehicles, swim team programing which is new funding which has an additional \$500 that will be added to the donation that is received from the Brookshire Foundation to help fund this program. New money is coming in to budget for the new softball league; this wasn't budgeted in the original budget for last year, so it's coming in looking like additional money, but this is all covered by the entry fee to play the sport. Recreational programs did not have money budgeted in the original part budget so staff has moved some money around to provide this program and match it with the grants and donations that are received for the summer. Training and travel has some additional funds to allow training for staff. This money will be spent on manuals and training material for staff. Ivy continued on to state that her department has asked for money to purchase additional mowers and rent lift as they continually need to replace lights within the coliseum which will reduce cost from staff having to hire someone to replace the lights.

Commissioner Garcia asked for the cost to replace one light if someone from the outside is called to replace it.

Mrs. Ivy responded that the lift alone is about \$700 per day. Staff has tried to pair these type of things with Public Works, when they are going to have lifts to come in for a month for any other purpose. But in case of an emergency, staff is hiring a company to bring in a lift to do this type of work.

Commissioner Garcia asked when an electrician with a lift is being hired, what does the cost generally run.

Mrs. Ivy responded that it would cost a minimum of \$1,500. Ivy continued with her discussion of the Parks Department budget. Advertising can be handled through the Tourism Department that will bring people into the community that will stay for a few days. Although, Tourism is limited as to how to spend this money and we need to be able to address how to get some of this information to the public that is not qualified under the Tourism Department guidelines.

Commissioner Garcia asked that with regards to the lift, if more than one department uses that utility would it be worth purchasing one for the City.

Mrs. Ivy responded that she can't speak for other departments as she is not aware as to how often they may use it, but as for the Parks Department they have a lot of lights on the ball fields that are old as well in the coliseum. She further stated that in a matter of getting a better maintenance plan for those things, and timing it, so that staff is working together.

Commissioner Garcia stated that he would like to see what uses a lift would have within the different departments and if it would advantageous to purchase one versus renting it every time it is needed.

Golf Course 001-450

Mr. Jimmy Saenz, Golf Course Manager, reported on the Golf Course budget. Mr. Saenz stated that he is still trying to get everything organized. He stated that things are moving forward quickly since he's been here in the last 4 months. He further stated that his department may be able to assist Mrs. Ivy's department with a mower or two as his department may have some Skaggs that his staff will not be using. Greens have been improved in the last few months. Revenue wise, his department is improving and with marketing events in the local newspaper has boost attendance at the Golf Course. There are a lot of plans for the Golf Course such as irrigation system. There are a lot of cosmetic things that need to be done at the Golf Course but will get done.

Mayor Fugate commented that since the City took over the Golf Course about ten months ago, in the last four months that Mr. Saenz has been with the City, there have been some major improvements at the Golf Course. This Golf Course hasn't been taken care of in, atlas the past 30 years. Fugate further commented that he appreciates all the work Mr. Saenz has put into the Course.

Mr. Saenz commented that the Golf Course is already booked for every weekend from September 5th until the week before Thanksgiving. Mr. Saenz stated that he will be working with staff on the cart lease as it is about to expire.

Commissioner Leubert asked when the cart lease is up. Mayor Fugate responded October 1st.

Mr. Saenz commented that the lease was taken over from the County to the City and staff needs to work on whether or not the City has to go out for bids. Saenz further thanked his staff for all their hard work in bringing this Course to where it is now. Mr. Saenz reported that within his budget, all line items have stayed the same. The only removal in the budget was of the grounds and permanent fixtures. This was for repairs to the shop such as floors, carpets, and paint.

Mrs. Alvarez reported that in last year's budget, the former City Manager had put \$50,000 for capital improvements for both the Golf and Parks budget.

Mr. Saenz commented that this was a one-time supplemental to allow for improvements but has asked for this to be a permanent line item.

Mayor Fugate commented that what is asked for in this budget is for an amount of \$4,500 and further asked what Mr. Saenz would use this money towards.

Mr. Saenz responded that he would use this money to continue updates in the shop, fairways, and figure out how to get water to the driving range.

Commissioner Garcia asked that on the potential revenue side at the Golf Course, the kitchen area and/or sale of beer, what the update on this issue is.

Mr. Saenz responded that staff is still pursuing the beer license.

Mayor Fugate asked why the City has to wait on the County for this and why can't the City get its own beer license.

Commissioner Garcia responded by stating that you cannot have two licenses at the same address.

Mrs. Alvarez commented that the other issue is that TABC wants the owner or lessor, and while we have the agreement with County she has not received word, and have requested for an update for word from the Department of Interior on the Concessionaires Agreement.

Commissioner Leubert asked why staff has to wait so long for their decision.

Mrs. Alvarez commented that the County is responsible for submitting it as they have the agreement with the Department of Interior.

Commissioner Pecos asked if the County hasn't submitted the application.

Mrs. Alvarez responded that it is her understanding, from speaking with their personnel, that they submitted last Fall but has not received an update on the status of the approval.

Mayor Fugate asked if staff has a contact name that maybe staff can contact and see what the status may be.

Mrs. Alvarez responded that the County has the name, as they have the agreement, but city staff doesn't have a name.

Mayor Fugate asked staff to see if they could get the name of the individual.

Commissioner Pecos commented that maybe this is something Congressman Vela can assist the city with. Pecos asked what the dollar amount the County gave to the City when it took over the Golf Course.

Mrs. Alvarez responded that they gave \$35,000.

Mayor Fugate commented that the County has also agreed to pay \$31,000 for the irrigation system.

Library 001-460

Mr. Robert Rodriguez, Library Director, thanked the City Commission for their support during the mold remediation closure.

Mayor Fugate commented that he was amazed as to how many citizens use the Library. Complimented Mr. Rodriguez and his staff for a great job they do at the Library.

Mr. Rodriguez reported that the Library's 2015-2016 proposed budget is for the amount of \$289,352, which is the same amount as last year. Only vital necessities for daily operations have been increased.

Commissioner Pecos asked for Mr. Rodriguez's opinion on the County coming in with their match of the budget.

Mr. Rodriguez responded that the County will be matching their amount.

Mayor Fugate asked for a status on the electrical issues in the Library.

Mr. Rodriguez stated that as far as the electrical work, it is 95% complete.

Mayor Fugate asked for the cost. Mr. Rodriguez responded that he is not aware of the cost.

Tourism 002-107

Mr. Leo Alarcon, Tourism Director, reported that Mr. Jonathan Plant of the Conner Museum will also be presenting their budget for the upcoming fiscal year. Mr. Alarcon reported that the Tourism Department consisted of four divisions and asked the Finance Department to consolidate these four divisions into one. The one division that was added is for the Parade of \$1,000. The budget for the Tourism Department stayed the same as previously.

Commissioner Pecos asked that by Mr. Alarcon consolidating these divisions, was the department able to save any money or was it maintained the same.

Mr. Alarcon responded that they left it the same but he hopes that during the year they may get it down to where every cent is allocated within its proper line item.

Mayor Fugate had a question on professional services line item and asked if the dollar amount of \$118,000 is a correct amount.

Mrs. Alvarez commented that this includes the \$100,000 for the marketing program that was carried over from last year.

Mayor Fugate commented that he doesn't think this program will come into fruition.

Mrs. Alvarez responded that this can be reallocated later in the year.

Mayor Fugate asked if this one of her cubbyholes. Mrs. Alvarez responded that this was a directive given to the City Manager last year and he put it in and staff wasn't sure of the status and staff just carried over into this budget.

Commissioner Garcia asked what this was about.

Mayor Fugate responded that this is for the Regional Alliance that the City has with the County, School District, Celanese, and Naval Base. This group meets once a month where an overall marketing plan is discussed for the greater Kingsville area. The City set aside \$100,000 and the University had \$50,000 as other businesses. With some of the members in the group unable to commit their portion of the money, so the group just quieted down.

Mr. Alarcon stated that the other capital outlay item was that of the Wayfinding signs which has \$50,000 in this line item and remains there.

Mayor Fugate commented that this has been in the budget for four years, and it is time that we do something with it.

Mr. Alarcon commented that before the previous City Manager resigned, he was asked to design a wayfinding sign. He further commented that he has budgeted \$100,000 for the moving of the Tourism Department.

Mayor Fugate asked how the move will affect staff while the move is made and where would they go. Mrs. Alvarez responded that based on the timing of the move; there are a few options available.

Commissioner Garcia asked when the move is taking place.

Mr. Cardenas responded that he has been meeting with representatives from Texas Department of Transportation where he was told that the next process is doing the right-of-way deeding which will occur within the next month or so. As for moving, the bid process will begin within the next month, to do the concrete slab near the caboose. Once the slab is done we will be ready to execute the move. Cardenas further stated that staff is hoping to make the move sometime in November or December.

Mayor Fugate asked Mr. Alarcon that if the new proposed location would be a better one for his department overall.

Mr. Alarcon responded that being out on the highway is very important for Tourism to be at as it attracts visitors coming through town.

Commissioner Garcia asked after the completion of the Tourism Department, has staff given any thought on what to do with the Caboose.

Mr. Alarcon responded that he would like to see a sitting area around the area and have it as part of a decoration.

Mr. Jonathan Plant, Conner Museum, reported on the Conner Museum yearly budget. Mr. Plant stated that expenses this year are close to those budgeted last year. He further stated that there was a carryover of \$38,766.42 deposit this year of \$84,639.68. Totals spent this year on the following; salaries, wages, and benefits \$43,153.87; exhibits and outreach \$16,283.95; advertising \$19,536.58 for a total expense of \$78,974.40. The projected budget for next year, actual balance as of the 20th is \$44,431.70. The total estimated revenue is \$129,431.70 for salaries, wages, and benefits was increased to \$45,000; exhibits and outreach \$22,000 and advertisement was increased to \$32,100.00 for total expenses of \$99,100.00. Mr. Plant further stated that during the past year the Museum has had five different temporary exhibits. The total attendance for the year at the Museum was 12,255. On salaries the funds from the city's support for vital positions, one paid for was at 77% of the Museum Curator salary the other 23% comes from the University. They also pay for the halftime Visitors Services Specialist, which consist of students and part-time workers who run the front desk and man the Museum during the Saturday hours. They also assist with exhibit installations, group tours, and reception. The Museum participated in three outreach community events including Ranch Hand Festival Downtown, Parade of Lights, and Cinco de Mayo Celebration. These community outreach

events comprise about \$5,000 from the exhibits and outreach budget. The Museum also presented the Regional History Fair where they had students from six different counties. The all attendance for all outreach events was 4,380 which is an addition to the 12,255 that had already visited the museum. On the promotion, only one billboard is being done, which is the billboard on King Street. Advertisement is done in two of the RV Park Guides and this year the Museum began advertising in the room directories and other hotel chains in Alice and Kingsville. Advertising is also taking place on the online Veteran's view magazine, which is a National magazine on digital, Channel 3, and KRIS 6. Plant further stated that the Museum has contracted with TV stations to advertise throughout this coming year. The museum serves as a venue for monthly Kleberg County Historical monthly meetings and provided tours for TXDOT visitor's center employees. Tours were also provided for incoming Naval Station personnel.

Mayor Fugate asked of the Museum will be having any children's programs at the Museum.

Mr. Plant responded that they have children's programs. During the summer this year, they had 114. One week in May they had 1,000 children's coming through the Museum.

The budget workshop ended at 5:30 p.m. Mayor Fugate recessed the meeting at 5:30 p.m.

REGULAR MEETING RESUMES AT 6:00 P.M.

Mayor Fugate reconvened the meeting into regular session at 6:00 p.m. with all five Commission members present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Mrs. Courtney Alvarez, Interim City Manager/City Attorney, followed by the Pledge of Allegiance and the Texas Pledge.

MINUTES OF PREVIOUS MEETING(S) – Required by Law

Regular Meeting – August 17, 2015

Mayor Fugate called for a motion to approve the minutes of August 17, 2015 as presented.

Motion made by Commissioner Pena to approve the August 17th minutes as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Garcia, Leubert, Pecos, Pena, Fugate voting "FOR".

II. Public Hearing - (Required by Law).^{1*}

1. Public Hearing on a proposed tax rate increase from \$.84220 to \$.89610 for Fiscal Year 2015-2016. (Finance Director).

Mayor Fugate announced and opened this public hearing at 6:02 p.m. Mayor Fugate stated that if there was anyone that would like to speak on behalf of this item, may do so at this time and would need to state their name and address. There is a five (5) minute time limit to speak and cannot be extended by City Commission.

Mrs. Alvarez reminded the public that there will be second public hearing on the 2015-2016 tax rate that will also be held at 6:00 p.m. on Wednesday, September 2, 2015, in the Alcorn Commission Chambers located at 200 E. Kleberg Ave., Kingsville, TX; on the same day and time there will also be a public hearing on the City's budget.

Mrs. Balli reported that the proposed tax rate is \$.89610 which is the rollback rate, but just to remind the public that the budget has been built on the previous rate of \$.84220. This just gives us some room to work with through the budget process.

Mayor Fugate commented that this is one of those things that you do that's prudent, chances are and would be remote that we raise the tax rate this year, but this is just something that is done every year than we always go back.

Mayor Fugate asked Mrs. Alvarez if there was any time limit that a public hearing would need to stay open, as no one wishes to comment on this item.

Mrs. Alvarez responded that there is nothing in the Tax Code requiring that it be held for a certain period of time.

Mayor Fugate closed this public hearing at 6:04 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. No formal action can be taken on these items at this time.”

Mayor Fugate presented Mr. Joe Luna, Task Force Agent with a certificate of appreciation, plaque and City of Kingsville watch for his 19 years of service to the City of Kingsville. Mayor Fugate asked representatives from the Kleberg-Kenedy County Junior Livestock Show to make their presentation to the City Commission at this time.

Representative reported that the livestock show has been here for the past 65 years. The show affects over 600 kids per year as positively and with participation in the show. Participants sale well over 230-240 projects every year in during this sale. In premium dollars they bring in \$1.3 million that comes in from the community and surround areas and which is above and beyond the underlying value of the animals. This is largely for the benefits of the kids that have worked hard for their secondary education. The grounds where the show takes place were originally the fairgrounds which were built to hold the livestock show. In the 70's the Ranch donated money to build the J.K. Northway Coliseum which was built large to host the livestock show as well as rodeos and any other events. This has been a quality of life benefit for the community in a lot of different areas outside the livestock show, but certainly the livestock show has been the focal point when it comes to the youth and education. The livestock show has benefited from the fact that it hasn't paid rent for the facility for 65 years. There has been cases where the County wanted to charge rent but it was paid with in-kind services. He further stated that he wants the City Commission to have a full understanding on what all the livestock show does. They are not here trying to receive a discount for any other benefit than for the benefit of the kids. Every dollar that is paid in rent, is a dollar paid less to a child. Of the \$1.3 million a commission is charged of 6% to host the show which his spent to pay the auctioneer and other things. There is one salaried employee that maintains the books and financial affairs of the operation year round. The livestock also enlist hundreds of volunteers, some that work year round to put on the show and some that show up one day to man a board and push pigs around, but the community is very involved in this and there is tremendous participation. He further commented that the money first goes to the children and then, in that commission, absent the expenses that they may have related to the show, the remainder goes into a fund that is used for scholarships. There is no profit left in the association though there is a savings that is used for fulfill obligations that are made to past graduating seniors so that there scholarships can be paid. The livestock show has money but those moneys are earmarked for past scholarship recipients. He stated that they are on a facility committee and also on the board. The Board has given them the authority to come before the City Commission and state what they would like to offer the City in lieu of rent. There is offer is to pay \$5,000 per year for five years in-kind. They are asking for the city to look and see what needs to be done to the building and they would like to pay for those repairs, to the extent that they can up to \$5,000 a year. Some of the projects can be done by the volunteers. He stated that at this time he does not have a formal proposal to present to the City Commission at this time. The President will be drafting a letter to the City Commission so that they may have something to look at and possibly place on the agenda for consideration.

Mayor Fugate asked how long the livestock show goes on for that they actually occupied the facility. The representative responded that the livestock show goes on for twelve days.

Commissioner Garcia commented that he would like to see the utility cost, from the past, for the twelve day period that the livestock show is using the facility.

Mrs. Alvarez commented that staff will work on gathering these numbers.

Mrs. Susan Ivy commented that based on the information that they have been dealing with representatives of AEP and based on the usage last year it ran around \$890 per day, just for the air conditioner.

Mayor Fugate asked about the labor. Mrs. Ivy responded that with regards to labor, there is a decent agreement between the Livestock Show and the Park System. This will be presented to the City Commission in the future for their consideration.

Commissioner Garcia commented that this is the City's first experience with the Livestock Show since the transition of the Parks Department and J.K. Northway Coliseum. Garcia stated that he hopes that the Livestock representatives don't get the wrong impression with the questions that are being asked, but this Commission needs to know how the Livestock operates.

Mayor Fugate asked what type of agreements Jim Wells and Nueces County has with their governments that they may have to rent facilities from.

Representative responded that he is not aware of the agreements they may have in place.

Commissioner Pena asked about the in-kind proposal the representative just mentioned. Pena asked if there was a need at this time that would comply with the \$5,000.

Representative responded that the horse stalls need to be torn down and maybe this is something the Livestock can do for the city.

Mayor Fugate commented that the County has run this building to the ground. One of the reasons that we took over it is because the city got tired of watching them do this. He further stated that he doesn't think there isn't anyone on this Commission that is interested in making money off the livestock, but we are interested in covering out cost, which is fair to say. Fugate further stated that he does a golf tournament for the Boys & Girls Club at the County owned Golf Course, that now the City runs. All the proceeds go to the Boys & Girls Club except the fee that goes to the County for playing golf. Boys & Girls Club serves over 700 kids that are under privilege that need the money more than the Livestock participants. Fugate further commented that he has a hard time not covering our cost. The Commission made a pledge to do a better job out there and supply people with the means to take care of the facility. This is very difficult for the City not to cover its cost.

Mrs. Ivy responded that what she has done is reached out to Judge Madrid regarding the possibility of the County assisting with some of their manpower during the event to offset some of the City's employees being there as it incurs a lot of overtime.

Mayor Fugate commented that the City is not interested in making money from this event but it needs to cover its cost.

Commissioner Leubert asked how many improvements have been made over the years.

Representative responded that they replaced the doors on the exterior of the building and re-covered the 50x100 building this past year where they spent around \$50,000. There have also been other repairs that have been made by the volunteers.

Commissioner Leubert stated that we have to make sure that we can continue to have a place for the Livestock Show to take place. She stated that if the City can cover its cost, we won't be having that. She stated that her other concern is that the City gives them a break other groups will want the same thing. She further stated that \$5,000 in in-kind services is good, but it may need to be increased.

Representative stated that he doesn't have the authority to make any decisions. He stated that the building leadership that has vision and money, or the ability to get money through grants or other means.

Commissioner Leubert commented that she feels that there needs to be a Board in place for the J.K. Northway to make these types of decisions.

Mrs. Alvarez reported that there are budget meetings scheduled for tomorrow and Wednesday of this week at 4:00 p.m. Special meeting on Wednesday, September 2, 2015 at 6:00 p.m. to hear the second public hearing on the tax rate and the budget. The next regular meeting is scheduled for September 14th with agenda and staff reports for this meeting due on Wednesday, September 2nd. Memorial Day holiday on September 7th.

Commissioner Leubert stated that she attended the Disc Golf Opening this past weekend and congratulated Mr. Charlie Cardenas for all his hard work.

Commissioner Pecos stated that since we are in hurricane season, staff may want to look into the creeks around the city and make sure they are clean. This is just in case we get serious rains.

IV. Public Comment on Agenda Items.³

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

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.⁴

1. Consider resolution nominating certain person(s) as candidate(s) for election to the Board of Directors for the Kleberg County Appraisal District. (Interim City Manager).

Mayor Fugate stated that Commissioner Garcia has been doing this for a number of years and asked if he would like to continue.

Commissioner Garcia responded that he would like to sit in for at least one more year.

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

2. Consider resolution requesting the Texas Department of Transportation support a change in the speed limit on US 77 By-Pass at the FM 1717 intersection to 55 miles per hour within the city limits of the City of Kingsville. (Mayor Fugate).

Mrs. Alvarez reported that the City Engineer has reviewed this resolution and is in agreement with it.

Motion made by Commissioner Pena to approve this resolution, seconded by Commissioner Garcia.

Commissioner Leubert stated that her concern is that if we do the 55mph, it will give people a crossing a false sense of safety.

Commissioner Pecos commented that the Kingsville Police Department can issue citations to those speeding.

Commissioner Garcia stated that he recalls that the last visit the City had from representatives from TXDOT, they were against any speed limit change under 65mph.

Mayor Fugate responded that he understands.

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

3. Consider acceptance of a \$200 donation for the Volunteer Fire Department. (Director of Finance).

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

4. Consider introduction of an ordinance amending the Fiscal Year 2014-2015 General Fund Budget to accept a donation for the Volunteer Fire Department. (Director of Finance).

Introduction item.

5. Consider introduction of an ordinance amending the Fiscal Year 2014-2015 General Fund Budget to transfer City Commission training & travel funds to the L.E. Ramey Golf Course and to Corral Park. (Director of Finance).

Mayor Fugate asked if this was Commissioner Leubert's money she would like to have transferred over.

Commissioner Leubert commented that she is transferring money to the Golf Course.

Commissioner Pena commented that he is transferring money to the Corral Park.

Introduction item.

6. Consider resolution authorizing the Kingsville Chief of Police to enter into an Interagency Cooperation Agreement between the City of Kingsville-Police Department and the Texas A&M University-Kingsville Police Department for the loan of a surplus or seized vehicle. (Chief of Police).

Chief Torres stated this is an Interagency Agreement between the City of Kingsville Police Department and Felipe Garza, Chief of Police for the Texas A&M University-Kingsville Police Department for the loan of a law enforcement vehicle.

Motion made by Commissioner Garcia to approve this resolution, seconded by Commissioner Pecos.

Commissioner Pena asked if there are any vehicles available for staff, as the City Commission looks at the issue with Car Allowances.

Chief Torres responded that there are no vehicles.

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

7. Consider a resolution accepting a donation/dedication of storm sewer pipe and manhole in the state right-of-way from Kingsville Legends, Ltd. (Director of Planning & Development Services).

Mr. Ginter stated that about a year ago the storm sewer pipe and manhole was constructed in the state right-of-way. When this was done, it was believed that everything was ok. After the fact TXDOT decided that a private entity could not own a storm sewer or manhole or any type of utility in a right-of-way. This was just discovered about a month ago, so staff has had a meeting with TXDOT where it was stated that the City has to take this portion over, this portion is only what's in the right-of-way.

Motion made by Commissioner Leubert to approve this resolution, seconded by Commissioner Garcia.

Commissioner Garcia asked why.

Mr. Matt Kane, of TXDOT stated that about two years ago they starting a research on what permits required. They initially spoke to TXDOT and they stated that since we are not doing a driveway with this permit, and we are doing these improvements there is no utility permits that are required. They went forward with the storm sewer after the fact TXDOT came back and said they would get this inspected which turned out good. Now they are moving into phase two which requires a pull driveway permit. With that they come back and said that it probably best to paper that right even though it wasn't right the first time and do the donation agreement.

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

8. Consider resolution authorizing the City Manager to enter into a Multiple Use Agreement with the Texas Department of Transportation for maintenance and operation of storm sewer pipe and a manhole in the State Highway 141 (West King Avenue) right-of-way near the Kingsville Legends Apartments. (Director of Planning & Development Services).

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

9. Consider a resolution authorizing the submission of an application to the Flood Mitigation Assistance Program for the purpose of requesting grant funding for mitigating flooding issues at 314 S. 20th, with no cash match or in-kind service requirement. (Director of Planning & Development Services).

Mr. Ginter reported that the funds from the grant will be used to purchase the house and the ground, demolish the structure and in perpetuity the City will own the ground and a house will not be allowed to be built on it.

Mayor Fugate asked if this property is occupied.

Mr. Ginter stated that the residence is occupied.

Mr. Cardenas stated that there are multiple claims of water damage due to flooding.

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

10. Presentation and discussion of the City of Kingsville Street Improvement & Maintenance Program and financing options. (City Engineer/Public Works Director).

Mr. Cardenas reported that he has been working with a valuable team on this second discussion point on funding for the Street Improvement & Maintenance Program. The group has been researching what other cities have been doing in particular Bryan, TX part of their street user fees does not include residential street. Staff has come up with a 20 year plan that includes all the streets in Kingsville. This plan includes all streets that the City maintains and owns. The production rate is about 40 blocks a year which is about 3 miles of street per year. After year 5, focus will be on more maintenance type of work and not fully depth construction or reconstruct work. Priorities of street construction and type of street construction were based on the Pavement Condition Index (PCI). The target yearly cost, which includes full depth construction, street overlay, seal coats, crack sealing and equipment maintenance total to \$1.6 million. The City has approximately 1300 blocks of street which is about 100 miles and since 2013 the city has completed 103 blocks of street which is about 8 miles. Funding sources are utility fees, property taxes, general fund, and capital outlay. Street fee funded approximately 40% by residents. The residential fee structure is a base residential fee of \$5.00 from single family residents (6636), apartments/mobile homes (3999) and multifamily units (170). Residential rates fee apartment/mobile homes 85% occupancy rate equals to \$4.25. Multifamily rate is \$9.25 which consists of \$5.00 for the house, \$4.25 for the apartment in the back. There are some exemptions such as government housing and student housing.

Mayor Fugate asked why a fee may not be assessed to government housing and student housing and is it illegal to assess a fee on these types of properties.

Mrs. Alvarez responded that its state property and it would be inconsistent and staff would have to double check the legality.

Mr. Cardenas further reported that residents will pay \$620,979.00; single family will pay \$398,160.00; Apartment/Mobile Homes \$203,949.00; and Multi-Family \$18,870.00. Non-residential will pay 60% with a base price of \$5.00 times equivalent residential unit (ERU) times the ITE trip generation. The ITE trip generation manual does not specify the type of city surveyed. The assumption is being made that a large metropolitan city and was the base of these studies. It is fair to give 70% discount on these numbers based on the population size of Kingsville. Example types of non-residential facilities with the highest trip generator are fast food restaurants, 148.836. Lowest trip generators are mini storage units at 0.07. The highest monthly charge without cap is Walmart at \$50.600.00 monthly. Lowest monthly charge equals \$1.63 Data Services. Cardenas reported that to come to the target yearly cost of \$1.6 million, it was important to cap the non-residential fee to \$500.00 a month. He further reported that 77 facilities reached the cap, 720 did not reach the cap. Cardenas stated that we need to verify approximately 10% of multi-family housing, establish and allow an appeal process, and establish a Street Maintenance and Improvement Program fee through City Commission.

Commissioner Garcia stated that non-profit organizations and churches are facilities that are visited by the same citizens that live within this community, so it would be like paying twice.

Mr. Cardenas responded that they will not be double paying the individual.

Commissioner Garcia further commented that these property owners will be paying twice if they have membership with a church or as a member of an organization.

Mayor Fugate asked if any other cities have exempted these types of establishments from paying a fee.

Mr. Cardenas responded that the City of Corpus Christi and City of Bryant exempt these types of establishments on a case by case basis.

Commissioner Garcia commented that this is not a fair thing to do those individuals.

Mayor Fugate stated that it sounds like there is mechanisms that will be put in place that will be fair to charge this fee.

Mr. Cardenas stated that this fee is strictly for streets.

Mayor Fugate commented that this is what citizens are mandating and agrees about property taxes. He feels that property owners of this community already do their share and we can't even close consider this in his opinion.

Commissioner Garcia commented that we can call this a fee but it is really a tax being collected.

Mayor Fugate stated that the biggest complaint he receives is with regards to streets. Citizens want their streets fixed and feel that citizens will not oppose this fee.

Mr. Cardenas stated that if the Commission wishes, staff has a list of the top capped businesses and big ERU's for their view.

Commissioner Pecos asked that with regards to the Certificate of Obligations for this upcoming year was there any money set aside for streets.

Mrs. Alvarez responded that staff has asked the various department heads that have larger capital needs to come up with proposed projects and to produce a list for those and the cost associated with each project. This should be done within the next few weeks.

Mr. Cardenas stated that he has mentioned some capital projects in the past that are candidates of this. There were only three on that plan, those being Richard Street, Kleberg Street, and overlaying of 6th Street.

Mrs. Balli commented that staff did the allocation based on 40% coming from residential and 60% coming from commercial. The Commission can suggest a different type of split if they choose too. This is our first attempt to get to the number that is needed to get to the \$1.6 million.

Commissioner Garcia commented that what happens to those individuals who own apartments and decide to sell from one month to another.

Mrs. Balli commented that within the utility billing system they are coded as residential multifamily so staff went off based on that coding.

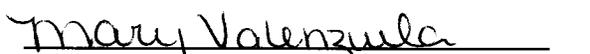
Commissioner Pecos commented that staff has given this Commission an option and it is up to the Commission to decide what avenue they would like to take.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:10 p.m.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary