

AUGUST 25, 2015

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, AUGUST 25, 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 4:30 p.m.)

CITY STAFF PRESENT:

Courtney Alvarez, Interim City Manager/City Attorney
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
Willie Vera, Task Force Commander
Bill Donnell, Asst. Public Works Director
Tony Verdin, IT Specialist
Susan Ivy, Parks Manager
Melissa Perez, Risk Manager
Charlie Sosa, Street Supervisor
Rose Morrow, Municipal Court Manager
Luke Stevens, Sanitation Supervisor
Joe Casillas, Water Production Supervisor
Frank Garcia, Waste Water Supervisor
Leo Alarcon, Tourism Director
David Bodiford, Accounting Supervisor
Pete Pina, Landfill Supervisor
Art Perez, Garage Supervisor
Joey Reed, Fire Chief

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the City Commission at 4:00 p.m. with four City Commission members present. Commissioner Pecos arriving late.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

Waived these proceedings.

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

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

NONE

III. Reports from Commission & Staff²

“At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Convention and Visitor’s Bureau, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful, and Texas Municipal League. Staff reports include the following: Building & Development , Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Monthly Financial Reports; Police & Fire Department – Grant Update, Police & Fire Reports; Street Updates; Public Works- Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, Proclamations, Health Plan Update, Tax Increment Zone Presentation, Chapter 59 project. No formal action can be taken on these items at this time.”

Mrs. Alvarez reported that the next budget workshop is scheduled for Wednesday, August 26, 2015 at 4:00 p.m.

IV. Public Comment on Agenda Items³

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

No public comments 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 or a citizen, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

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

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

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

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

2. Consider approval of final passage 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).

REGULAR AGENDA**CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:****VI. Items for consideration by Commissioners.**⁴

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

Solid Waste – Recycling 001-170

Mr. Cardenas reported that the big change in this department, Professional Services had an increase as staff received the quote from Republic Services for hauling recyclables.

Commissioner Leubert asked for a status on the electricity grant.

Mr. Cardenas responded that they have already ordered materials and work has begun and should be done by this Thursday. Cardenas further stated that invoices will be submitted as soon as they're done.

Commissioner Leubert commented that invoices need to be submitted by Friday.

Mr. Cardenas thanked the City Commission for all their hard work on this grant.

Solid Waste – Sanitation 001-170

Mr. Cardenas reported that within the General Fund budget, there is no additional monies being requested for this department.

Mayor Fugate stated that the only increase he sees within this budget is in the Unemployment line item.

Mr. Cardenas responded that what had occurred was that this year there was an increase in overtime due to the brush blitzes in the spring. This was the time when there was a lot of down brush due to heavy storms.

Commissioner Garcia asked about certification pay, there was nothing 2013, 2014, and 2015 up to the year-to-date activity of \$279.29, did the city have employees back in 2013 that were certified and not being compensated.

Mr. Donnell responded that the department did not have any employees with certifications. Their job duties did not require it.

Commissioner Leubert commented that this was the time TCEQ changed the requirements in the A License and the D License, they changed all of this back then so people who had all those license didn't need those licenses anymore.

Solid Waste – Landfill 001-170

Mr. Cardenas reported that there is no capital outlay requested, as it was done last year. Last year there was some equipment purchased and this is why staff isn't asking for items this year. Professional Services is being reduced which is Nasmith Contract. More discussion will take place during the next budget workshop.

Commissioner Pena asked about the increase of \$9,000 for state fees in 2015.

Mr. Cardenas responded that it is the same in 2015. Mr. Cardenas corrected himself by stating that it increased 2014-2015. Cardenas further stated that TCEQ state fees fluctuate.

Solid Waste-Landfill Capital Projectes 087-170

Mr. Cardenas reported that staff is not proposing an increase in 103 line. He further stated that he would like to give the City Commission an update on what \$127,099 will paying for, which is the landfill expansion and the new permit. Staff has been working with Nasmith Engineering and TCEQ on which is to open a new cell and expand the landfill vertically by going deeper and higher.

Commissioner Leubert asked if TCEQ has changed their attitude as they were not going to go higher.

Mr. Cardenas responded that staff met with TCEQ on this, and they have been very helpful on what they are doing but their concern is the Navy Base. The Navy Base gave staff their blessing already with this project.

Mayor Fugate commented that the only problem would be the attraction of birds that the landfill attracts.

Mr. Cardenas further commented that as long as staff is working and staying in communication with TCEQ and it should be fine.

Commissioner Garcia asked if the permit was for the existing cell.

Mr. Cardenas responded that the permit is for new cells.

Commissioner Garcia asked about the situation on the existing cell, what is the longevity of that cell.

Mr. Cardenas responded that the landfill has been taking in a lot of material which is causing the cell to fill up quickly. Cardenas further stated that we would need to be careful; because the city could definitely open up a new cell with the current permit, but it won't be the amended permit, so when this is done it looks like the City is losing money. Nasmith Engineering performed a survey that shows that the City is losing capacity very quickly and may only have about a year left with the current cell. Now if the cell about to reach its capacity and the amendment is about to be approved, we could be granted with a temporary authorization which means that it would allow for us to stockpile up to 250 feet temporary with the understanding that the stockpile will be moved to the new permitted cell.

Commissioner Leubert commented that we don't want it to reach that point because then we would have to place a certain amount of soil which takes up space.

Commissioner Garcia commented that when the City for started with that cell, there was a projected life. Does staff recall what that projected life of that cell when it was first started?

Commissioner Leubert commented that she recalls it being eight years, but also keeping the C&D out of it, which is already in it and it takes a lot of volume.

Solid Waste-Landfill Closure Fund 090-170

Mr. Cardenas commented that it is required by TCEQ to have a closure fund.

Mrs. Balli commented that no expenses are being expanded out of this fund. Staff is accumulating the revenues that are being received for this fund so we can have enough liability in this fund balance to cover the closure post-closure on the landfill.

Commissioner Leubert commented that this amount is based on a percentage that is provided by TCEQ. Leubert further asked if the city is still charging all water customers a \$3.00 fee per month and has all this money in the landfill closure post closure and have we used money from that and have we paid it back. If the city is charging citizens for it, for the landfill closure post closure, it should be in an account for landfill closure post closure and used for anything else.

Mrs. Balli responded that as everyone knows, some of the money was used for the funding of the new city hall. So the question is do we pay it back or not pay it back. What staff has talked about was that at some point in time it will get paid back but at this point in time, there is no need to pay it back because we would have to pay it back with general fund and those funds at this time, are in a position that we need to build up the reserves in general fund. So the question to the City Commission is, do they want to start trying to pay out of general fund now, to a fund that doesn't need it right now, being that we are in a position that we need to build up our reserves.

Commissioner Leubert commented that if the city is charging the public a fee for a purpose, and the city is not using it for that purpose but were borrowing against it, yet we are still charging the public for that fee, she has a real problem with that. Leubert further commented that if the city doesn't have to pay it back, all that financially makes sense, but when you are the public and you are being charged for something, that to her shows that the transparency is no longer there and it's not going to what it's supposed to be going to.

Mrs. Balli commented that the fee being charged to our customers is going to be needed as we get closer to having to pay for the closure cost.

Commissioner Leubert responded that as tax payers think that it is going for one thing when it's not.

Mrs. Balli commented that it is still going to go there, but we just don't need to pay off the expenditure right now as we have enough money in there now to cover our liability required. At some point in time, when general fund is in a position to better pay back what it has borrowed, then it would make sense to pay back.

Commissioner Leubert further commented that she understands this but as a tax payer we need to think about who is paying our bills.

Commissioner Garcia asked what was the amount borrowed.

Mrs. Balli responded that she thinks the amount is around \$2.7, but doesn't have the exact dollar amount at this time.

Mayor Fugate commented that he feels it's lower than that.

Commissioner Garcia stated that he would like to get the correct dollar amount.

Public Works Administration 001-003/051-801 (50-50)

Mr. Cardenas stated that this is a fund that is split 50-50 between General Fund and Utility Fund. Cardenas further stated that there are no changes within this budget.

Engineering 001-301/051-800 Engineering (50-50)

Mr. Cardenas stated that in this fund there was some cost savings from having a part-time position vacant. He further stated that his department is continuing the partnership with Texas A&M University-Kingsville.

Service Center 001-302

Mr. Cardenas reported that this budget includes cost for repairs to the roof at the service center which total to \$14,000. Under laundry line item, this pays for the rental of the floor mats.

Garage 001-303

Mr. Cardenas reported that under minor tools and equipment furniture, the proposal for \$350 for mechanics that have tools, is incorrect, it should read \$2,400.

Commissioner Garcia asked if supervisors ride-along with their employees to see what occurs on a daily basis.

Mr. Cardenas responded that Mr. Luke Stevens, Sanitation Supervisor does ride-along once a week.

Streets 001-305

Mr. Cardenas stated that there is only \$300,000 left in this budget for the fiscal year.

Mayor Fugate commented that when he came on board as Mayor for the City of Kingsville, \$35,000 was set aside for street materials. Fugate asked if this department hired extra employees as there is an \$80,000.00 increase in this budget.

Mrs. Gonzales responded that the increase is for those individuals who are below the \$10.00 an hour that will be increased to \$10.00 and also includes health benefits and the 1% increase COLA.

Mr. Cardenas stated that he would like to add some extra employees for Ground Maintenance. This will allow the Street Department crew to focus more on potholes and

other street repairs. Cardenas stated that within this budget, it includes for the additional of three employees that will consist of one Operator II and two maintenance workers strictly stormwater functions. These employees will be paid from the Utility Fund and not General Fund.

Commissioner Pecos asked how many employees are within the Street Department.

Mr. Cardenas responded that there are 16 fulltime employees in the Street Department.

Commissioner Leubert asked if the new employees will be under the direction of the Street Department. Mr. Cardenas responded that they will be under the direction of the Street Department and the responsibility and accountability will be under the Street Department but will be funded by the Utility Fund.

Commissioner Garcia asked if they will be cleaning right-of-ways, curbs, and gutters. Mr. Cardenas responded yes. They will also be performing any mowing needs throughout the City.

Water Construction 051-600

Mr. Cardenas reported that in there is a slight increase in a couple of line items that are for a State fee through the Railroad Commission which is for a contingency fee.

There is no audio recording for the following department budget presentations: Water Construction-Capital Projects, Water Production, Water Production-Capital Projects, Wastewater Utility, and Wastewater-Capital Projects. Therefore, the minutes below were completed from staff notes.

Water Construction-Capital Projects 054-600

Waterline will cost \$240,000. Of that, \$180,000 is for operations, valves and waterlines; \$60,000 is for small sidewalk and curb and gutters. The 8 inch waterline replacement will cost \$60,000 which will be done with the CDB Grant.

Water Production 051-600

As the city has a new Water Well, it is necessary to hire one additional maintenance technician. Water Well #19 will have upgrades in the total of \$245,000. The pump at Water Well #19 will have a rehab that will cost \$300,000. Staff would like for the old pump house to be used to store the Volunteer Fire Truck and add public restrooms. Mr. Cardenas will make a presentation and bring renderings to the City Commission at a later meeting.

Water Production-Capital Projects 054-600

Within this budget staff is looking into replacing an 11 year old backhoe. Place a forcemain on Masters Drive which will cost \$65,000. Staff will also be doing manhole rehabilitation for the amount of \$120,000. Centrifuge will come in next week.

Wastewater Utility 051-700

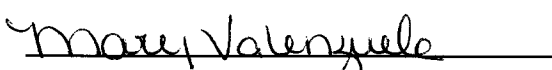
Utilities are up due to treating more water due to higher inflow and infiltration. The Navy mandated to lower utility usage. City is looking into doing a utility survey/audit; an audit of street lights has already been done, but not an overall audit.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 5:19 p.m.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary