

AUGUST 23, 2016

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, AUGUST 23, 2016 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 4:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Edna Lopez, Commissioner
Arturo Pecos, Commissioner
Noel Pena, Commissioner
Al Garcia, Commissioner

CITY STAFF PRESENT:

Jesús Garza, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Tom Ginter, Director of Planning & Development Services
Emilio Garcia, Health Director
Bill Donnell, Assistant Public Works Director
Diana Gonzales, Human Resources Director
Susan Ivy, Parks Manager
David Solis, Risk Manager
Deborah Balli, Finance Director
Adrian Garcia, Fire Chief
Charlie Cardenas, Public Works Director/Engineer
Sharam Santanilla, Capital Improvement Manager
Leo Alarcon, Tourism Director
Robert Rodriguez, Library Director
Jennifer Bernal, Community Appearance Supervisor
Stacie Pena, Accountant Manager
David Bodiford, Accountant Supervisor
Cynthia Martin, Downtown Manager
Manny Salazar, Economic Development Director
Richard Flores, Golf Course Manager

I. Preliminary Proceedings.

OPEN MEETING

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

Mayor Fugate asked that if no one had any objections, he will waive this section of the agenda.

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

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

NONE

III. Reports from Commission & Staff.²

“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. Courtney Alvarez reported that the Supplemental Insurance Enrollment is going on today, August 23rd and August 24, 2016. Representatives will be located in different city facilities.

IV. Public Comment on Agenda Items ³

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

No 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)

None.

REGULAR AGENDA**CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:****VI. Items for consideration by Commissioners.** ⁴**1. Review and discuss proposed fiscal year 2016-2017 budget for departments of the City of Kingsville. (City Manager).**

Mr. Jesús Garza, City Manager stated that there will be a slight change in schedule for tonight's presentation. Due to Chief Torres unable to make the City Commission tonight, the Kingsville Police Department will not be presenting its budget until a later day.

Mr. Garza began with his presentation of the Planning & Development Services Department. This department will be moving into the new Cottage Building during the new fiscal year. The big priority for this department is preparing for the move. There is a lot of customer service aspects of the Planning & Development Services that staff would like to address and improve of this physical move to the Cottage Building. As part of this effort, some of the plans that staff is planning on accessing for the new fiscal year is accessing staffing levels for this department as well as researching other avenues that will assist staff in providing better customer service. With technology software available that is specific for Planning Departments that currently don't have but would potentially be a good resource for staff to do more research on and explore those tools that are available to us. The Planning Department has various division within itself and one being where the Building Inspector is housed. Within this budget there is a slight increase in Training & Travel, this is to allow staff to gain training on planning and development. Historically Mrs. Martin's position was funded by the Tourism Department. In the new fiscal year, it will be changed to have Mrs. Martin's position will be split funded between the General Fund and Tourism Fund as a way to being the transition her position to become fully funded through the general fund and be under Tom Ginter. Mrs. Martin's position is a dual position, Downtown Manager and Historic Preservation Officer overseeing the Historical District. There is an increase focus on the revitalization of the downtown area. The Commission approved \$1million dollars out of Certificates of Obligations 2016 for the downtown infrastructure. Staff is also going through a downtown vision plan that is being done by the University of Texas-San Antonio (UTSA). University representatives will be in Kingsville hosting a Downtown Vision Plan Public Meeting on September 21st to receive input from the public on the downtown vision plan. The downtown vision plan is to be completed by the end of the year. Staff plans on using this plan as a tool and guide to help develop the infrastructure for the downtown area. Staff has been in communication with representatives from Economic Development Administration out of Austin, where they have Public Works Assistance Grant Program that staff will be applying for. Mr. Sharam Santanilla, Capital Improvements Manager will be the lead for this project. The Economic Development Administration Public Works Assistance Grant Program provides financial assistance for infrastructure improvements for communities that are considered in distressed such as unemployment and income levels. The City of Kingsville qualifies to get asserted match from this grant. This grant has no specific deadlines; it is done on a rolling basis.

Mayor Fugate asked what a million dollars will get the City of Kingsville. Mr. Garza responded that it all depends at the time the city applies and where the city ends up at.

Garza further stated that if the city's unemployment rate is high, then their match is greater. If the unemployment is lower, then that match is not as high for the City. This grant ranges from being a 50/50 match to an 80/20 match depending on the time of the application and where the city stands with unemployment rates and medium income.

Mr. Garza continued to report on infrastructure improvements. The City of Kingsville received a CDBG Grant for ADA in the downtown area. This will include sidewalk work on 7th Street between King Ave. and Kleberg Ave. There will also be ADA Accessibility on the corner of Kleberg Ave. and 8th Street. This project will be bided out in the next few months. Also related to downtown is the Façade Program. There is money set aside within the Tourism budget for an amount of \$50,000 for the Façade Program. In the next fiscal year, staff would like to plan some changes to the Facade Program. The Facade Grant does not have a time restraint or requirement so it is important to change the program so that when someone gets awarded a grant they have six months to do the work and if not they lose the money. Also to be included within these guidelines is that the applicant must be an owner of the business, or it can require a letter of approval signed by the owner to the tenant authorizing the tenant to apply for the grant. The tenant will also need to prove that they have a certain amount of years left on their lease in order to apply for this grant. There are also some property owners that are in a bit of distress more than others, so staff would like to have some flexibility with some of those owners that don't have the financial means to do a 50/50 match and consider possibly an 80/20 match. There has also been consideration on placing a cap on the facade grant recipient. This is to make sure that one property does not consume 100% of the allocation for the year.

Commissioner Garcia asked if there was anything to ward off the possibility of duplication for this grant. Mr. Garza responded that currently there is nothing that can prevent a property owner to apply more than once for this grant. This is something that staff is considering in doing within the guidelines.

Mr. Garza continued to state that staff is trying to redevelop the Texas Theatre and the old dealership building located in the downtown area. Mrs. Cynthia Martin, Downtown Manager is working with the Historical District and getting grant funds to register the entire downtown area into the National Historical Registry. This is a grant that Mrs. Martin has submitted a letter of intent to the Texas Historical Commission.

Mrs. Martin makes comments with regards to the deadline and possibly the time frame as to when the City should hear back from the Texas Historical Commission. Due to no audio at the back of the room, it is not certain what her comments were.

Mr. Garza further stated that one other item that will be coming to the City Commission for approval in the next couple of months is changing the boundaries to the Main Street Program to accommodate for the entire corridor between the Kleberg County Courthouse and the new City Hall. At this time the boundaries go from the Courthouse to 6th Street then north to then encompass the King Ranch Museum. This does not continue down Kleberg Ave. to the new City Hall. In changing the boundaries, it will include the new City Hall. Garza continued and discussed the Pavilion Space and the pump house located on 6th Street. The City Commission has allocated for the renovation of the old pump house. The old pump house project has been an ongoing project for the past four years. This fiscal year, staff went through the RFQ process to solicit an architect to assist in the design of this improvement. This was approved and so this architect is about 95% done with the design and construction documents for the old pump house. With this done, staff will be bidding out that projects within the next month. There is about \$500,000 in the budget that was allocated for this improvement and to improve fencing around the pump house. Currently the old pump house is within the fence line but once it is renovated into public bathrooms, it will have to be outside the fence line. Staff is also contemplating on relocating the Bandstand from the parking lot to the pavilion area. Currently the bandstand is not being used to its full potential where it is currently located. Bids have been solicited to see how much it would cost the city to relocated the bandstand. With the bandstand being relocated within the pavilion can lead to more events within this location.

Mrs. Alvarez commented that staff may need to review the resolution for any particulars from when the Woman's Club donated the bandstand, just to make sure there are no restrictions. Mr. Garza commented that the Woman's Club is already aware of these efforts.

Mr. Garza went on to discuss the Historic District. This has been assessed internally to try and figure out what are the challenges and what we can do improve the management of the Historic District. One thing that stands out is the fact that the City of Kingsville's Historic District is very large in comparison to some of the other Historic District in other communities. The Historic District consumes 120sq blocks, 1,090 properties. This is a large area for one district. Some other cities have number of Historic Districts and reason for it is that some have their own design guidelines. Some cities have fulltime staff that work with these historic districts. As it stands now, our historic district is not setup to be successful. Within the next several months, staff will reassess the historic district and come up with a

recommendation that may split up the district into various districts. The idea for a Historic District is to preserve the history of the area and make it a place where citizens want to reside. In some instances, historic districts have an impact on value of the area, which is why in some other communities, the historic district is the most expensive area to live in. Garza further stated that currently the City of Kingsville does not have a design guideline for a Historical District. Mrs. Martin is currently working with the Certified Local Government Program on grants. One of the grants being looked at is also a grant to assist the Texas Historical Commission design guidelines for our Historic District, which is what the City needs to help more properly enforce and require citizens to maintain certain design standards for the Historic District. With a lot of challenges within the City's Historic District, that are going to require some assessment and come up with some recommendations to setup us up in place where it can be more successful than what it is now.

Commissioner Garcia asked what is the idea from staff on splitting up the one district. Mr. Garza commented that at this time staff does not have information at this time as it has not been developed. This is something that staff will work on within the next several months in developing this plan. Commissioner Garcia further commented that when you start restricting within a Historic District, it can prevent citizens from wanting to move into the district.

Mr. Garza discussed the Economic Development Fund. This is a new fund that was created to account for some of the expenses that the City has with Economic Development. The funds received from Celanese and the Kingsville Housing Authority are placed into the Economic Development Fund.

Mr. Manny Salazar, Economic Development Director commented that he and other staff members have been involved in meeting with the Retail Coach. The goal for these meetings is get the Kingsville out in front of as many restaurants and companies as possible that may have an interest in opening a business in Kingsville. This will boost business in Kingsville as well as create new jobs.

Mr. Garza discussed the Tourism Department Budget. Staff documented for months the decrease in revenues from the Tourism Fund. The expected annual for the 2016 fiscal year was proposed at \$457,000. This had an impact on things that the city does especially on items related to percentages. For example, the contract with the Conner Museum is based on a percentage according to the revenues taken in. It is anticipated that with La Quinta opening in Spring 2017, staff is proposing that for next fiscal year \$485,000 will be collected from Hotel/Motel Tax. Garza commented that effective October 1st, the JK Northway Coliseum will be directly under the Tourism Department.

Mr. Jonathan Plant, Museum Director presented the budget for the Conner Museum. Mr. Plant commented that the deposits made to the Conner Museum were in the amount of \$75,214.61 between September, 2015 to August, 2016 and added to the carryover balance of \$44,806.15 made for a total revenue of \$120,020.76. In salaries, wages and benefits the amount spent for staff was \$58,004.16, Exhibits & Supplies \$18,394.42, and advertisements \$35,787.39 for total operating expenses of \$54,181.81. Conner Museum projected budget for Fiscal Year 2017 the balance to date is \$7,834.69, this does not include the August monthly check from the Hotel/Motel Tax. Allocated revenues for Fiscal Year 2017 is \$65,000 which makes the total estimated revenues \$78,834.34. Salaries, wages, and benefits remains the same for the new fiscal year. Exhibit fees were cut down to half from its normal cost to an amount of \$10,000 and advertisements was also cut down to \$10,830.10. The Conner Museum will do less printing advertisement and more local station channel advertisement.

Mr. Garza reviewed the Parks & Recreation budget. Some of the changes within this department are organizational. With the creation of the Parks & Recreation Director to oversee the Parks Manager and the Golf Course Manager, part of this effort is to maximize our resources. Within the budget there is a new division that was included. This is to help fund the Parks & Recreation Director and Administrative Assistant that is being transitioned from the Parks Manager over to the administration. Some of the things staff will focus on for the new year is the potential of a new Skate Park and water feature. The City has applied for a grant through the Coastal Bend Community Foundation for a Splash Pad. At this point, staff has not received any word on the grant as of today.

Mr. Richard Flores, Golf Course Manager commented that for the last few months he has done due diligence and the Golf Course is dilapidated. The infrastructure has deteriorated over the last 20 to 30 years. The Golf Course is in need of a new irrigation system along with drainage. In the last three months, the Golf Course has been closed for a total of 40 days due to rain and the lack of drainage. The Golf Course cannot operate like this and generate revenue. Flores stated that he can get the Golf Course to a certain level of condition but cannot afford to be stagnant and move forward with what he considers major projects. The vision is to improve the Golf Course where it can attract more tournaments and junior programs.

Mayor Fugate asked what is the need to get this up and going. Mr. Flores responded that he is trying to partner with the Engineering Department of Texas A&M University-Kingsville and the Farmers Co-op to assist with the Golf Course. Some of the work can be done in-house but without the manpower, equipment and funding it can be difficult to be done.

Mayor Fugate commented that with the work needed to be done at the Golf Course, this must become a priority as it is an embarrassment to the City.

Community Appearance Department. This department has an increase in training & travel. This will help pay of certifications, which is required, for the inspectors of this department. Due to staff budgeting for an Election in 2017, which will not occur until 2018, part of this money will be used for the purchase of a new mower for this department. With the department currently having two employees and one mower, makes it a bit difficult for the department.

Library Department, not many changes to this budget were made. Although on the County side both the Library and Health Department have been asked to reduce their budget by 10%. Mr. Garza commented that he is has not cut their budget by 10%. Garza commented that even if it's not an even 50/50 split, he is ok with that. He feels that the employees and citizens should not suffer because of the financial challenges the County may have.

Mayor Fugate asked if there was enough money budgeted for demolitions. Mr. Garza responded that \$10,000 is allocated every year for demolitions. Mayor Fugate asked if this amount was enough. Mr. Garza's response was that we can reallocate money at a later time if needed.

The Animal Shelter is working on getting an intern from Texas A&M University-Kingsville. This intern will assist with animal care and other assigned duties. The budget also allows for some minor improvements to the facility.

Commissioner Garcia asked if there was a contingency fund for emergencies situations such as where to house the animals in case of a hurricane. Mr. Garza responded that there isn't a contingency fund for this type of situation. This is something that can be looked into by staff.

Mr. Garza commented that there is some money allocated in the Health Department under Professional Services for minor vet care.

Mr. Garza stated that staff is currently working on Collective Bargaining with the both the Fire Department and Police Department. Based on history of the negotiations, staff has made an assumption as to what the amount will be for the new fiscal year. This dollar amount will not be disclosed at this time as Collective Bargaining negotiations are currently going on. Garza further commented that one thing that is new in the Fire Department is the vehicle replacement fund for an amount of \$50,000. The Police Department does not have this fund as they use Chapter 59 fund for vehicle replacement.

Fire Chief Adrian Garcia reported that the Fire Department has been utilizing Certificates of Obligation with Capital Outlay Projects. These are ongoing projects such as replacing the roof at the Central Fire Station, replacing eastside windows, and replacing MICU Ambulance. In the new fiscal year, staff is looking into adding a new security fence at the Central Fire Station, renovate the dorm at Central, and replace broken windows on the west side second floor of the Central Fire Station.

Mayor Fugate asked if all these repairs were included within the new budget. Mr. Garza responded that when the CO's were approved earlier in the year, \$500,000 was allocated to the Fire Department of which \$200,000 was to be spent on an ambulance with the additional amount split between building improvements and communication improvements. Mayor Fugate asked if staff would be interested in looking at the possible purchase of the old Alaniz house. Fire Chief Garcia responded that this is something that staff can look into.

Chief Garcia commented that within the Fire Marshall office, with there being 812 active businesses within the City of Kingsville the Fire Marshall is on average conducting about 305 inspections annually. By looking at the inspection rate, the City of covering about 38% of businesses. With the City Commission adopting the Fire Code in 2009, it recommends that these inspections be done annually. As the City does not have an inspection program, which is something that staff will be exploring this year. Instead of doing inspections on all 812 businesses we evaluate each business depending on the hazardous will be inspected either once a year or every two to five years. In addition to this, one of the things being explored is utilizing some of the on duty or on shift inspectors. There are individuals on the operations side that are not certified in the inspection program therefore Fire Chief Garcia is looking into putting an inspection program together which will assist the Fire Marshall in conducting some of the annual inspections.

Mayor Fugate asked if staff has looked into privatizing this type of work. Fire Chief Garcia responded that he has thought about privatizing, but has not looked into yet. Mr. Garza commented that conversations have been made internally about exploring different options

to help improve the inspection aspect operation of the city as it is connected with the Planning Department. Based off of conversations with the developers and business owners that both on the Planning side and the Fire Marshall side is perhaps not as business friendly as they need to be. There are a lot of businesses that require fire inspections. Currently the Fire Marshall spend a lot of time doing inspections that prevent him from attending construction meetings that maybe the Building Official is attending. By privatizing these inspections, it will allow for the Fire Marshall to attend some of the new construction projects.

Mayor Fugate commented that with Kingsville growing it is a big challenge for the Fire Marshall in getting inspections done on a timely manner. Fugate further commented that most of the complaints he hears from developers is that the Fire Marshall will come in a do an inspection, gives the developer two or three things that need to be done then comes back to inspect those, then gives them another two or three things that need to be done. This should all be taken care of all within one inspection, which is frustrating to the developer.

Mr. Garza commented that this is being evaluated and staff is trying to figure out what is in the best interest of the City to accomplish these inspections.

Commissioner Garcia commented that he has experienced this type of service when the American Legion was going through their inspection. They come in an inspect and give you one or two things that need to be done, then comes back and states some other things that need to be done. Garcia asked that it would be best to give a checklist to the developer of what is expected when the Fire Marshall comes to perform the inspection.

Chief Garcia responded that this is something that needs to be looked into for future inspections.

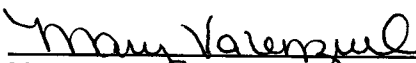
Rick Salinas, Volunteer Fire Chief reported that they have engaged in 3,447 man hours since November 2015. They have responded to 26 callouts for general fire alarms. The Volunteer Fire Department utilized their headquarters to house citizens that were displaced from the May 31st storm. The Volunteer Fire Department has 32 members of which twelve are military, ten EMT's, one paramedic, one registered nurse, and three firefighters.

Mr. Garza commented that one thing that is very important is for the Volunteers to work together with the Fire Department. Staff has been in conversation with the Volunteer Fire Department regarding potentially using their headquarters as an EEOC Command Center.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:07 P.M.

ATTEST:


Mary Valenzuela, TRMC City Secretary


Sam R. Fugate, Mayor