

JULY 25, 2016

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JULY 25, 2016 IN THE HONORABLE ROBERT H. ALCORN COMMISSION CHAMBERS 200 EAST KLEBERG AVENUE AT 5:30 P.M.

CITY COMMISSION PRESENT:

Edna Lopez, Mayor Pro-tem
Arturo Pecos, Commissioner
Noel Pena, Commissioner
Al Garcia, Commissioner

CITY COMMISSION ABSENT:

Sam Fugate, Mayor

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
Ricardo Torres, Police Chief
Sharam Santanilla, Capital Improvement Manager
Leo Alarcon, Tourism Director
Pete Pina, Landfill Supervisor
Robert Rodriguez, Library Director
Jennifer Bernal, Community Appearance Supervisor
Charlie Sosa, Street Supervisor

I. Preliminary Proceedings.

OPEN MEETING

Mayor Pro-tem Lopez called the meeting to order in the Robert H. Alcorn Commission Chamber at 5:30 p.m. and announced quorum with four Commission members present. Mayor Fugate being absent.

WORKSHOP: Fiscal Year 2015-2016 Quarterly Financial and Performance Reports. (City Manager).

Mr. Jesús Garza, City Manager, announced the Employee of the Month for the month of June, Rosa Vela, Collection Department. Garza presented the Performance Measure Report to the City Commission. Garza spoke about the Code Enforcement abatements. In 2012 there were 148 abatements and in 2015 there were 946 and in this year, just in nine months they are at 1,086. This division has done this work with two full time operators. Currently the Community Appearance Division hired a temporary employee for the next several months to assist with the workload, which shouldn't have to be done if property owners took responsibility for their properties.

Mayor Pro-tem Lopez asked for what position was the temporary employee hired for. Mr. Garza responded that the position was for an operator.

Commissioner Pecos commented that citizens of our community are having a negative attitude about maintaining their property and this is the reason for those numbers to go up.

Mr. Garza continued to report on the Performance Measure Report. Garza touched base on the Golf Course, with the storm that hit on May 31st, impacted operation at the Golf Course. The Health Department the results in high number of dogs being rescued, has been attributed to rescue groups pulling dogs from the shelter. To assist in the adoption process, the Health Department has been hosting adoption days at Pet Sense and Southgate Mall. Garza went on to report on the Street Department. The increase in 2015 potholes and alley work orders are due to the rain that occurred that year. Each pothole work order includes anywhere from 10 to 20

potholes. The years of 2011 and 2012 saw major construction projects that impacted the ability of staff to do additional streets. Armstrong Street from Santa Gertrudis to Caesar Street and Ailsie Street from Franklin Adams to Carlos Truan. The Library began to curate its Digital Collection that initially consisted of 200 eBooks, which has now grown to over 1,300 items as of the end of 2015. The Library in Fiscal Year 2015 saw a decrease in its Physical Material due to the Library disposing of books that were affected by its non-toxic mold infestation. The Library has hosted some well attended programs during the Summer for a wide variety of ages, from toddlers to adults. Within the Municipal Court Department, numbers have been low due to staff turnover. There were approximately 3,000 old warrants cleared in 2012 as a result of old warrants being cleaned out of the system. Garza further spoke about the Planning Department. There have been 36 new residential construction permits pulled. This also include multi-family complexes. He further spoke about the failed meters and the possible need to change the meters in the city as the life expectancy is 10 to 15 years. The City of Kingsville will have an it's second insert coming out in the Kingsville Record on Sunday, July 31st. This insert will have information about the relocation of administrative offices to the New City Hall as well as those offices that will remain housed at the Municipal Building located downtown. The Street Department will be working on a pothole blitz in August. Staff is hoping to cover and seal potholes by or before the first day of school. In 2014 there were 257 pothole work orders produced and 2015 has had 521 and with this year 403 pothole work orders have been created.

Commissioner Garcia stated that he has a concern regarding the failed meters as the revenue portion comes from this department. Garcia asked what the revenue loss is due to these failed meters. Mr. Garza responded that an attempt to get this number has been made, but it is difficult to get an accurate number. Commissioner Garcia asked if staff could give him a range number for the loss. Mr. Garza responded that for the technology that staff is looking into is smart readers for the new meters. Staff has been working with Schneider who will calculate the additional revenue from the smart reader.

REGULAR MEETING RESUMES

Mayor Pro-tem Lopez opened the meeting into the regular session of the agenda at 6:00 P.M. with four Commission members present. Mayor Fugate absent.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

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

MINUTES OF PREVIOUS MEETING(S)

Regular Meeting – June 27, 2016

Motion made by Commissioner Pena to approve the minutes of June 13, 2016 as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pena, Pecos, Lopez voting “FOR”. Garcia “ABSTAINED”.

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

1. Public hearing for an alcohol variance for a Mixed Beverage Permit and Mixed Beverage Late Hours Permit for an establishment known as Nucky's Cocktail Bar at 1406 N. 14 St. (Director of Planning and Development Services).

Mayor Pro-tem Lopez announced and opened this public hearing at 6:05 P.M.

Mr. Tom Ginter, Director of Planning and Development Services, reported that this is a request for an alcohol variance for Nucky's Cocktail Bar located at 1406 N. 14th Street. This establishment comes within 1,000ft of a church, Centro de Milagros. All required notices were mailed to those property owners within 300ft of this establishment. Additionally, a public hearing notice was published in the Kingsville Record as required by City Ordinance Section 11-3-4 & 11-3-5. Staff did not receive any negative feedback from those property owners that received notice.

Mayor Pro-tem Lopez announced that this is a public hearing and if anyone would like to speak on behalf of this item may do so at this time with a five-minute time limit. Additional time cannot be extended by City Commission.

Mr. Homero Castillo, 109 N. 5th Street, commented that he would like to ask the City Commission not to approve this variance as the establishment is directly across from his mothers' residency. Castillo further commented that there are other establishments, such as this, where Kingsville residents can go out and enjoy themselves. He further stated that his establishment is near the area where a vehicle accident was caused by a drunk driver.

Mayor Pro-tem Lopez closed this public hearing at 6:08 P.M.

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, 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, Investment Report, Quarterly Budget Report, 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, Water And Wastewater Rate Study Presentation. No formal action can be taken on these items at this time."

Mr. Garza made a presentation to the City Commission regarding the Quarterly Budget Report ending June, 2016. In the third quarter of the fiscal year, the City of Kingsville is at 77% through the budget. Total revenues for General Fund are trending as expected in relation to current year projections and past year performances. In the non-property taxes, the City sales tax revenue is trending as expected with the revenue percentage at 75.13% versus 71.57% for the overall category. When it comes to sales taxes, the City is trending on budget. Permits & Licenses show that the city is at 73%, which is good. Municipal Court revenues are significantly lower than expected and compared to the prior year due to staff turnover. It is anticipated that by August, 2016, Municipal Court will be fully staffed, however, it does not appear feasible to expect revenues to come in as expected for this fiscal year. The General Service Fees, Parks and Recreation, and Golf Course is trending low. Expected revenues are down for both Golf and Parks due to a storm that occurred on May 31, 2016. Park operations were affected in greater capacity over Golf because events had to be cancelled and will continue to be cancelled through the end of this year due to facility damages. Golf operations were able to resume, but not to full capacity. In Solid Waste Division, in general fund, which includes landfill and garbage fees, revenues for this fiscal year are slightly lower compared to last fiscal year due to limiting outside haulers for waste disposal at the landfill and weather related closure of the landfill. In the main revenue for Tourism Fund are Hotel Occupancy Taxes collected by the hotels from overnight hotel guests. Revenues received through the 3rd quarter are significantly less than what was received from last year by \$37,762 and \$177,231 less than what was budget for Fiscal Year 2015-2016. In the Utility Fund Revenues, this fund is trending lower than expected for budget purposes. Funds for this revenue come mainly from water and sewer sales for both residential and commercial customers. The Street Maintenance Fund which is generated by the street maintenance fee that began January, 2016. For fiscal year 2016-2017, this fee is estimated to bring in approximately \$918,852. Overall revenues through the 3rd quarter for fiscal year 2015-2016 from all sources are right on target for budget at 80.88%. Overall Expenditures are less than expected through the 3rd quarter for this fiscal year at 52.52%. The difference in the target of 75% and actual of 52.52% is due to not all capital projects are 75% completed. There will be some capital projects and purchases that will be carried forward into fiscal year 2016-2017.

Mrs. Courtney Alvarez, City Attorney announced that the next City Commission is scheduled for Monday, August 8, 2016, with agenda items for this meeting due on Friday, July 29th.

IV. Public Comment on Agenda Items.³

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

1. **Motion to approve out of state travel for Mayor and Economic Development Director to Washington, D.C. from July 24-26, 2016 for city business and military matters. (Mayor Fugate).**
2. **Motion to approve final passage of an ordinance amending the Fiscal Year 2015-2016 Budget to accept a 2017 Operation Border Star Grant for the Kingsville Police Department. (Director of Finance).**
3. **Motion to approve final passage of an ordinance amending the Fiscal Year 2015-2016 Budget to accept a 2015 Operation Stonegarden Grant for the Kingsville Police Department. (Director of Finance).**
4. **Motion to approve final passage of an ordinance amending the Fiscal Year 2015-2016 Budget for CO2013 to include a drainage master plan. (Director of Finance).**

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

5. **Consider an alcohol variance for a Mixed Beverage Permit and Mixed Beverage Late Hours Permit for an establishment known as Nucky's Cocktail Bar at 1406 N. 14 St. due to name and/or owner change. (Director of Planning and Development Services).**

Commissioner Pena asked if this establishment was already a bar in the past. Police Chief Torres commented that this establishment was the old Port-O-Call.

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

6. **Consider a resolution authorizing the City Manager to enter into an Interlocal Agreement between the City of Kingsville and Kleberg County for Constable Precinct #3 for Dispatching Services. (Chief of Police).**

Chief Torres reported that the Kleberg County has need for temporary dispatching and TLETS searches for the County Constable Precinct #3 and the City can assist with this temporary service. The County of Kleberg and the City of Kingsville have previously entered into interlocal agreements to share services and expenses on items that benefit the residents of their respective entities.

This agreement is for dispatching services for 30 days from the date that last party signs. Either party may cancel the agreement at any time by giving 24 hours written notice to the other party.

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

7. **Consider a resolution authorizing the City Manager to enter into an Agreement between the City of Kingsville EMS and Fire Department and Advanced Data Processing, Inc., a subsidiary of Intermedix Corporation, for ambulance billing and related professional services. (Fire Chief).**

Fire Chief Adrian Garcia stated that this agreement updates the contract with Intermedix who provides EMS billing for the Kingsville Fire Department. The Kingsville Fire Department currently uses Intermedix for EMS billing of all ambulance calls. Intermedix has informed the Kingsville Fire Department that they would begin charging for TripTix which the Fire Department had been receiving but had not been paying for. This resulted in an increase of 1.25% from 7% to 8.25% billing rate. Based on historical revenue of

\$500,000, the new contract will result in an increased expense of \$6,250. In the past three years, TripTix has been provided to the Kingsville Fire Department at no cost due to an oversight on Intermedix part. Intermedix has increased the revenue from EMS over the past six years.

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

8. Consider authorizing the acquisition of an ambulance from Siddons-Martin Emergency Group via HGAC, as per staff recommendation. (Director of Purchasing & Technology).

Chief Garcia stated that this item authorizes the purchase of a new RRUM-01 Road Rescue F-450 Ultramedic Ambulance from Siddons-Martin Emergency Group. This ambulance will replace Medic 2, a 2007-year model with 48,421 miles. This purchase will expend a total of \$201,695, of which \$200,000 was budgeted in CO2016. The remaining balance of \$1,695 will be from 001-5-220.0-211.00.

Mayor Pro-tem Lopez asked if a committee looked into the specs of the ambulance to be purchased.

Chief Garcia stated that a committee has looked into the specs of the new ambulance.

Motion made by Commissioner Pena to authorize the acquisition of an ambulance from Siddons-Martin Emergency Group via HGAC, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Garcia, Pena, Pecos, Lopez voting "FOR".

9. Consider authorizing the acquisition of a brush truck and three bodies for existing vehicles from Southwest International Trucks, Inc. via BuyBoard, as per staff recommendation. (Director of Purchasing & Technology).

Mr. Cardenas reported that this item is for the purchase of a 2016 International 4300SBA 4x2 with a Warren 22ft Dump Brush Body w/Barn Doors Rear. This also include the replacement of three bodies on the City's existing vehicles. This will add an additional truck to balance the work load for brush collection. Each crew will have one tractor and two trucks to facilitate collection activities. This purchase will expend a total of \$216,598 from CO2016.

Mr. Garza commented that this will replace some old fleet associated with the Sanitation Department.

Mayor Pro-tem Lopez asked if these are truck that are rented out to the public. Mr. Cardenas responded that those that are most used get rented out to the public. Lopez further asked how many employees are in each crew. Cardenas responded that each crew has four employees with two trucks.

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

10. Consider awarding bid (RFP #16-10) for the 6th Street Overlay Project, as per staff recommendation. (Director of Purchasing & Technology).

Mr. Cardenas reported that this item will allow the award of Bid 16-10 6th street overlay project. This work that will be done is similar to the work performed by the Texas Department of Transportation did on 14th Street and King Ave. This item will expend \$809,034.92 form 033-5-305.0-521.00 of which \$942,193.00 is allocated through CO2016. The bid was awarded to Clark Construction of San Antonio, TX.

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

11. Consider introduction of an ordinance amending the Fiscal Year 2015-2016 Budget for Public Works overtime due to recent storm event. (Director of Finance).

Mr. Cardenas commented that this item authorizes the approval of a budget amendment to increase overtime for public works due to increased activity and debris removal due to

the May 31st storm. The financial impact is \$400,000 that is budgeted through account 099-05-160.0-314.39, debris removal and collections as part of the disaster general fund.

Introduction item.

12. Consider introduction of an ordinance amending the Fiscal Year 2015-2016 Budget for purchase and installation of a generator for the Police Department radio tower site. (Director of Finance).

Mr. Garza stated that when the emergency fund was created, the intention was having these funds available in case they were needed for an emergency. As staff became more educated with the FEMA process, it is not a good idea to have this fund. If funds are available, FEMA will not reimburse the City for any money spent that the City was not intending to spend.

Ricardo Torres, Police Chief stated that the police department is requesting a budget amendment in the amount of \$10,610 for the purchase and installation of a generator for the radio tower. The 800MHz radio system backbone is located at the tower site, at the Dick Kleberg Park. The site currently has a propane Generac generator that is a backup for the radio system should power be lost as was the case during the recent weather event in May. That generator is not large enough to run the cooling system. The new generator will run the radio system as well as the cooling system so that the electronics are not damage due to the heat.

Introduction item.

13. Consider a resolution designating authorized signatories for contractual documents and documents for requesting funds pertaining to the Texas Community Development Block Grant Program (TXCDBG) Contract Number 7215362 (Main Street). (Director of Planning and Development Services).

Mr. Ginter stated that the City of Kingsville was awarded a grant of \$58,530.00 for sidewalk improvements in the downtown area. Prior to bidding and construction, a resolution must be approved by the City Commission. This resolution authorizes the Mayor and City Manager to be the signatories for the contractual documents pertaining to the Texas Community Development Block Grant Program Contract #7215362. There is no financial impact to the City.

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

14. Consider introduction of an ordinance abandoning an alley and retaining an easement for utility purposes in Block 1, Eva Addition, Lots 1-18 and in Block 2, Clyde Addition, Lots 1-6 (alley is between 15th and 16th Streets) for Torres Estates. (Director of Planning and Development Services).

Mr. Ginter reported that the developers of Torres Estate are requesting that the City of Kingsville abandon the alley that is on the south side of the project. The alley is 20ft in width. The desire is for this property that is abandoned be attached to the appropriate property owner. This is infill project that is intending to build smaller homes. The alley is no longer used and it is the desire of the developers to attach that ground to whichever lot is appropriate. There is a utility easement there and there are utilities so the city is not abandoning the utility easement.

Mayor Pro-tem Lopez asked what types of homes will be built and will emergency vehicles be able to get in to the area in case of emergency. Lopez also asked how many homes will be built. Mr. Garza responded that there is not an access issue for emergency vehicles.

Mr. Ginter stated that there will be eleven homes built.

Introduction item.

15. Consider request for waiver of interest on liens for 921 E. Yoakum. (Director of Planning and Development Services).

Mr. Ginter stated that Mr. Serafin Alanis is requesting that the City Commission waive the interest cost of the liens that are on the property at 921 E. Yoakum. The total amount being asked to be waived is \$1,230.05. The property owner has a signed and notarized letter

from the property owner stating that if Mr. Alanis pays off the lien placed by the City of Kingsville, the property will be turned over to Mr. Alanis.

Mr. Alanis commented that he has intentions to purchase this property and asked how long the City would give him to pay this lien off.

Mrs. Alvarez commented that this is not part of the action item that is before the Commission. The question Mr. Alanis just imposed would need to be discussed with staff at a later time.

Motion made by Commissioner Pecos to waive the interest on lien for the amount of \$1,230.05, seconded by Commissioner Pena.

Commissioner Garcia asked who the owner of the property was and how long have they owned the property.

Mrs. Alvarez commented that in the agenda packet, it states that Segario Sanchez Malone is the property owner.

Commissioner Garcia asked if this is an estate or a deceased situation.

Mrs. Jennifer Bernal, Community Appearance Supervisor commented that this property has been under the name mentioned by Mrs. Alvarez for six years.

Commissioner Garcia amended the motion to state contingent of Mr. Alanis purchasing this property.

Commissioner Garcia withdrew his amended motion. Motion remained the same as previously made by Commissioner Pecos.

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

16. Consider rescinding award of bid (RFP #16-08) for copper/wastewater metal participant and awarding that bid to the next responsive bidder. (City Engineer/Director of Public Works).

Mr. Cardenas commented that this item authorizes staff to rescind the bid award currently in place with Kruger Inc. for chemicals to perform the copper removal from the North Wastewater Treatment Plant and award the bid on the next responsible bidder Kendall & Sons, Inc.

Mr. Garza commented that previously the Commission approved a contract with LNV Engineering to see where the copper came from. The report was received and results of this report will be forwarded to the Commission.

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

17. Executive Session: Pursuant to Section 551.071, Texas Government Code, Consultation with Attorney Exception, the City Commission shall convene in executive session to seek legal advice from the City Attorney regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter. (City Attorney).

Mayor Pro-tem Lopez announced and convened the meeting into Executive Session at 7:14 P.M.

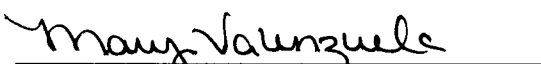
Mayor Pro-tem Lopez reconvened the meeting into open session at 7:47 P.M.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 7:47 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary