

AUGUST 22, 2016

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 22, 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
David Mason, Purchasing/IT Director
Stacie Pena, Accountant Manager
Tony Verdin, IT Specialist
Kyle Benson, Help Desk
Cynthia Martin, Downtown Manager

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 all five Commission members present.

CONVENE INTO BUDGET WORKSHOP:

Review and discuss proposed fiscal year 2016-2017 budget for departments of the City of Kingsville. (City Manager).

Mr. Jesús Garza, City Manager made a presentation to the City Commission on the draft budget for the upcoming Fiscal Year 2016-2017. Part of this budget is to bring some purpose to the budget and its presentation. Several months ago a survey was distributed to the Commission and staff. The purpose of this survey was to get a sense of what was priority to the Commission and to rate the services provided by the City. Some services were shown as needing some improvements while others were rated as satisfactory. The report gave staff a glimpse to the areas that need assessing and/or improvements in the upcoming fiscal year. These areas include components of the meters that are failing are associated with the drive by reading technology. These failures are causing meters to be read manually, which can be a challenge due to current work load for the Meter Technicians. The number of abatements has increased dramatically over the las few years which presents a challenge to the division which remains at similar staffing levels since 2011. Also being presented is the quarterly budget report which show some areas of concern which has been discussed in the past six months how Tourism revenues have been declining this year. Municipal Court has also been trending down due to staffing challenges. Garza further commented that overall the City will see an increase in property and sales taxes due to new housing developments and Hobby Lobby coming into Kingsville. With the potential impact of Hobby Lobby, the city has increased their sales tax revenue projection by \$25,000. The projected sales for Hobby Lobby range from \$5 Million to \$7 Million which if we take 2% of this amount, which is what comes back to the local level is about \$130,000, of this amount the City gets three-fourths and the County receives half a percent of the amount. With Hobby Lobby scheduled to open in February 2017, the City is only expecting a few months of sales tax coming in from Hobby Lobby, so staff budgeted very conservatively only seeing an increase of \$25,000 even though in a year span that impact could be about \$70,000. Staff is also projecting an increase in property tax due to the increase in the evaluations of real property. This is directly tied to some the economic development that has occurred in the last couple of years such as Wild Wood Trails to some of the new multi-family units.

Both Commission and staff identified compensation and benefits as an area that needed to be addressed. The City of Kingsville has had a third party compensation study done that will help develop a three-year compensation plan which will be discussed further during the Special Commission meeting scheduled for Wednesday, August 31st. A representative from the third party firm will be in attendance at the meeting to discuss their findings.

Mayor Fugate asked that by looking at the pie chart that is within the budget notebook, it shows that 44% of the general fund is actually spent on Public Safety and further asked if other cities also use the majority of their budget for Public Safety. Mr. Garza responded that cities traditionally spend more than 50% of their general fund on Public Safety with administrative cost staying closer to 20%. Keeping administration expenses below 20% insures that the majority of these general fund dollars are spent on more direct, visible and tangible purposes. The lowest recipient of General Fund dollars is our Street Operations with less than 8% spent from the General Fund. The lack of historical investment in streets which validates the decision that this Commission made last year to have a Street User Fee. This clearly shows that less than 10% is actually spent on Street Operations.

Mr. Garza further commented that this budget focuses on modernization through technology to improve customer service. This will make sure that we are producing a product to our residents/customers that is better. Budget is also focused on making the City of Kingsville an employer of choice. We want people to come and want to work for the City of Kingsville. Attracting or retaining talent is critical for success, because since we do have limited resources the outcome or the output that is done is based out of our team. Garza further discussed the organizational changes and staff changes. In Fiscal Year 2015-2016 the City of Kingsville has 296 fulltime employees with the City. The City of Kingsville recently lost 11 employees with the Task Force going to Kleberg County. This proposed budget has 12 less full-time employees compared to Fiscal Year 2016. There is an increase in part-time, temporary/seasonal and for the first time the City is including interns due to a new partnership with Texas A&M University-Kingsville. This partnership will bring four interns into the organization that will strategically be placed in area that are important to the city such as one intern placed in the Information & Technology Department, one in the Parks & Recreation Department, one at the Animal Control Facility, and one placed in Planning & Engineering to serve with GIS functions.

Mayor Fugate asked that the intern that will be assisting in the Health Department will be a Veterinarian Technician. Mr. Garza responded that more than likely it will be a Veterinarian Technician student that may be looking for that may be looking for experience in direct contact with animals. The big goal for the University in partnering with the City is to offer internships that they can't offer on campus such as the Veterinarian Technician. Mayor Fugate commented that this is a great idea and an advantage for the City to be able to offer this type of service to the University. Mr. Garza commented that the internship will be compensated by the University and no cost to the City.

Mr. Garza continued to state that some of the organizational changes are the Tourism Department taking over the management of the JK Northway Coliseum. The move is intended to alleviate the Parks General Fund budget from sustaining the coliseum's finances. Having the Coliseum funded via the Hotel Occupancy Tax opens the door for future funding opportunities not associated with local tax payers. The transition will include transitioning one full-time Maintenance Worker from Parks to the Tourism Department. The other change is that of a new Facilities Division. This division will handle janitorial and building maintenance for City Facilities which will include one full-time Facilities Manager and 2 part-time Maintenance Worker positions. This will be created through the cancellation of current janitorial service contracts for Public Works, Police Department, and the Municipal Building. The other change is within the Human Resources Department. This department will also serve as the Customer Service area and as such staff is being increased with the Human Resources Department to both accommodate for this increased responsibility and to improve customer service between our employees and Human Resources. One full-time Administrative Assistant II is being upgraded to one full-time Human Resources Specialist and one full-time Administrative Assistant II is being transferred into Human Resources from Public Works Administration. Information Technology is being separated from the Purchasing Department. This will allow Purchasing Department to focus on the increase number of projects that are projected to occur in Fiscal Year 2017. Also within the Information Technology Department, one full-time IT Manager, which will report directly to the City Manager will be created from the two full-time positions that currently exist. In addition, 1 part-time Help Desk position is being reorganized into the Information Technology Division and one part-time Help Desk position will come in the form of an intern from the University. The Police Department will see two additional Dispatchers being transferred from the Fire Department so that the Police Department can handle consolidated dispatching duties. This will also eliminate from using a Firefighter from dispatching and place him back into its regular duties. The Health Department will see an increase of one part-time Animal Shelter Attendant in the form of an intern from the University. The Engineering Department will get one part-time GIS Technician that will come from the internship with the University. The savings from the intern will allow for the creation of one part-time Administrative Assistant I to assist with administrative functions caused by the transfer out of an Administrative Assistant II to the Human Resources Department. The Planning Department saw

the official addition of the one full-time Downtown Manager position which is split funded 50/50 between the General Fund and Tourism. In the Utility Collections Division, there will be one temporary full-time Meter Technician to assist with maintenance related to the increase in failed meters. These organizational changes are simply just movements internally.

Historically, the City does not have facilities operation that is centralized. Every department has had to fend for themselves in terms of custodial work and some of the facility improvements in their department. Staff looked into how this effort could be consolidated through efficiencies. The example Garza gave was that staff looked at amounts that were spent for three different contracts and simply using that money a little smarter. The three contracts that were for three different buildings cost \$60,000 a year. With that amount, half of that will fund two part-time positions and will help fund the majority for a new Facility Manager. With the addition of a new Facility Manager Division and Facility Manager position, the funds used to fund those things are simply for the most part restructuring efficiencies that were found internally. The end result will end up with a Facility Manager, which will report to the City Engineer since currently the Engineering Department handles the bulk of the facility needs for the building. The new Facility Manager will oversee five maintenance part-timers. Two which are currently hired, which was approved in last year's budget for the new City Hall and two new positions to fulfill the same duties from the three contracts. There will also be the restructuring the maintenance position from the Tourism Department to this department so that this Facility Manager has more flexibility in terms of providing services to some of the city facilities. With there still a lot of work to be done in the City facilities, this is a step in the right direction.

Mayor Fugate asked that within the restructuring and adding the Facility Manager, some of these employees will be working outside such as doing gardening as well as other areas that need to be managed; can staff look into hiring someone with experience in gardening. Mr. Garza responded that the vision is for three out of the five-man team to make up a crew that will work on the landscaping at the new City Hall and the Kingsville Police Department. Garza further commented that by having a maintenance crew it will alleviate staff having to take care of maintenance issues and focus more on their regular duties.

Commissioner Pecos asked that in the size of the staff it was compared both Fiscal Year's 2016 and 2017, does this include the Task Force employees. Mr. Garza responded that it doesn't account for the 11 full-time employees that were part of the Task Force. This also accounts for a change at the Golf Course where a full-time employee was converted into a part-time employee.

Mr. Garza further spoke on the Administrative Departments.

001-5-100.0 – City Commission

The City Commission budget has seen no change. The only increase is under Professional Services for an amount of \$22,000 which is to assist the City Secretary in the preservation and restoration of city records.

Mrs. Mary Valenzuela, City Secretary reported that this is a project that is very much needed in order to maintain permanent city records. Kofile is a company that professionalizes in the restoration and preservation as well as digitizing city records. Kofile is a leading preservation company in the US with 45 years' experience of records management and government business. Some of their clients range from Dallas County, City of San Antonio, and City of Corpus Christi, City of Fort Worth and City of Weatherford just to mention a few. Mrs. Valenzuela further stated that an inventory and analysis proposal was done about a year ago, which showed that the first few books dating back to 1911 are in depressed need of being preserved. Preservation will insure the survival of unique and intrinsically historical materials and, at the same time, insure the survival of the source original for the application of future technologies. Archival digitization includes archival image capture and image processing, including custom image cleanup and enhancements. Kofile estimates 97 volumes will return to the City of Kingsville which will also include shelving. The total amount expected to be spent on this project is \$108,665. The project is on a five-year plan with the first year being 2016. This project is presented via TMAS Contract No. TXMAS 13-36010 per the City of Kingsville's cooperative purchasing membership. Mrs. Valenzuela further commented that she has had the opportunity to tour the Kofile Facility which is located in Dallas where she had the opportunity to view exactly step by step as to how they restore and preserve historical documents.

Commissioner Garcia asked how many volumes will be produced once the project is completed. Mrs. Valenzuela volumes that will be returned to the City of Kingsville. Commissioner Garcia further asked if once the project was completed, will all 97 volumes fit within the Archive Room located at City Hall. Mrs. Valenzuela responded that Mrs. Catherine Drolet, Kofile Representative has visited City Hall and has looked at the area where these volumes will be housed and Mrs. Drolet mentioned that all 97 volumes will fit in the Archive Room with room to spare.

001-5-101.0 – City Manager

Mr. Garza reported that under the line item of Minor Equipment and Furniture there has been a reduction which is a consisting thing across the budget. Now that staff has moved into the new

City Hall the need for new equipment should be significantly less. There are some other areas within the budget that have seen some reductions since there have been some minor cuts in other departmental budgets. There is an increase in Printing & Publishing which will be used for the quarterly City of Kingsville news inserts into the Kingsville Record. The cost for the inserts is \$10,000 per year.

Commissioner Garcia asked if staff has received any feedback from citizens about the quarterly inserts. Mr. Garza responded that staff has received good feedback from the community.

Mr. Garza discussed the New Facility Management Department. Under the salaries line item there is \$20,000 as it accounts for the two part-timers that have already been hired and working at the new City Hall. There is an increase cost for utilities for both City Hall and Municipal Building. It is being allocated \$50,000 for the Municipal Building and \$40,000 for the City Hall. There is a plan in place for the potential new utilities that may come from the Cottage Building, which is not included in this budget due to other internal efficiencies that is being anticipated in doing that will help accomplish paying the utility bills for the Cottage Building without impacting the budget. All monies that were budgeted under the Building Maintenance line item was taken and lumped into this budget.

Commissioner Garcia asked that when this money is all lumped into one department, will all the supplies be located in one location. Mr. Garza responded that not necessarily but there will be better control in terms of equipment and supplies. Commissioner Garcia further asked if there will be an inventory of all equipment and supplies. Mr. Garza responded that there will be a new system that will need to be developed with the new Facility Manager once he/she comes on board.

Commissioner Pecos asked if this will be only for Administrative Offices. Mr. Garza responded that this will be city wide because of the three contracts that will be used, certain departments will utilize the Maintenance Facility Departments. These departments include Kingsville Police Department, Public Works, Tourism Department, Municipal Building, and City Hall.

Commissioner Lopez asked if these custodial contracts will be terminated, how will staff divide the employees throughout the day. Mr. Garza responded that they will be housed in certain city facilities. They will also be doing outside work such as mowing and cleaning grounds. Garza further commented that these contracts will be notified that the contract will be terminated.

001-5-103.0 – City Special

Mr. Garza continued on with the budget presentation for the City Special Fund. He stated that there isn't very much change in this budget. Within this budget a donation is being proposed to Halo Flight for the amount of \$10,000. This is a donation that is included in the city budget. There is a correction that needs to be mentioned under the Election line item. Under Elections staff included in the budget \$29,000. Since there isn't an Election until 2018, some of the money will be utilized in other areas of the budget. At the request of the City Commission, an amount will be budgeted under the Election line item.

Commissioner Garcia asked why the airport dollar amount been the same amount for three years in a row. Mr. Garza commented that \$8,300 is a carryover amount for a match request, for improvements at the airport, that was made by Kleberg County and paid out. Commissioner Garcia further asked why it was budgeted in 2015 and 2016. Mr. Garza responded that in 2015 the money was allocated but was not expended, so it carried over to 2016 due to it not being paid out in 2015. This year it was paid out, but we understand that they are making a second request for \$3,600 which was included but under the Economic Development Fund.

Mayor Fugate questioned the \$10,000 under the line item for Water Production. Mrs. Deborah Balli, Finance Director explained that the way the claims line items works is that you set aside \$10,000 to help offset the amount of deductible that needs to be paid on all the claims that the city generates. As claims are filed the amount of \$10,000 is moved down to cover the deductible part of those claims. There also could be claims that we submit that is not paid for, for whatever reason. The \$10,000 pays for the deductible and claims that are not covered. It was only budgeted in one-line item with the option to move it wherever it needs to be and in order to show who is causing the claims.

Commissioner Pecos asked about the increase in Insurance-Property/Liability line item. Is this due to the new City Hall. Mr. Garza responded that it is with an increase of \$30,000.

001-5-110.0 – Personnel Department

The budget numbers look very different from years past but this is due to the consolidation of the Risk Manager into the Human Resources Department. This also increase other line items within this budget. With the consolidation, it saved money and allowed staff to hire the third party analysis for the compensation plan.

Commissioner Lopez asked if car allowances were not being included in salaries. Mr. Garza responded that car allowances were added to salaries but more details will be discussed during

the compensation presentation of the budget. Although employees will still this money but will be categorized differently.

001-5-140.0 – Legal Department

Not much change was done within this departments budget.

Commissioner Lopez asked what was the certification pay within the Legal Department budget.

Mr. Garza responded that at the time this budget was put together, staff contemplated certification pay for the Legal Assistant. After review of the compensation plan and where this employee would land, that was one of the changes that staff will be making because the compensation plan will impact a non-exempt employee and give them a slight increase in pay so this specific number of \$1,200 will come from the benefit of the compensation plan, if it gets adopted. As staff works towards a final budget, the certification pay will not be there as that employee will get its increase in the form of the compensation plan.

001-5-180.0 - Finance

Mr. Garza stated that in the Finance Department there are minor changes to its budget. Under the line item Professional Services/Audit the amount went from \$105,000 to \$86,000 from the General Fund. The difference is being made up from the Utility Fund side.

Commissioner Garcia asked why the increase in Training & Travel. Mrs. Balli responded that with her department having two employees that have received their CPA Licenses and must maintain 40 hours of CEU's and staff will be attending Incode training within the new fiscal year.

Commissioner Pena asked if the dollar amount that is being proposed for travel & training within this department was enough to cover the cost for her staff. Mrs. Balli responded that it was enough money.

Commissioner Lopez questioned the \$9,000 under Professional Service-Actuarial Services. Mrs. Balli responded that every other year, the city has to pay for actuarial services to come in and do a rate study for the city's health plan for the retirees. Every year they do a full on study that cost \$9,000 and in the second year it drops down to almost half of the amount. This is required to be done annually.

Mr. Garza commented that the other difference within this department is that of the warrant officer. The Warrant Officer budget used to be under the Finance Department but this new fiscal year it will be moved into the Police Department.

001-5-180.3 – Municipal Court

Mr. Garza reported that there isn't very much of a change within this departmental budget. There is an increase in Training & Travel. This is to make sure that the Municipal Court Clerks are all certified. It is a requirement for all five employees within this department be certified.

001-5-190.0 – Purchasing & Technology

Mr. Garza reported that within this department the budget has remained the same. The only change in this department is the split between the Purchasing Department and IT. The IT budget has an increase in Software and Subscriptions due to expenses being on the rise, but other than that increase, the budget remains the same.

Commissioner Garcia commented that within the Purchasing Department there is \$1,000 less for training and travel and further asked if this was enough. Mr. Garza responded that some of the rational that was used was according to year to date activity. If the year to date activity that occurred this past year, at least so far is a little over \$3,000, which is why it was cut down by \$1,000. Commissioner Garcia asked the question if the Purchasing Administrative Assistant need to be certified. Mr. David Mason, Purchasing Director stated that the Administrative Assistant is not required to be certified. Although he would like for the Administrative Assistant to attend a training in Austin on Public Purchasing.

Mr. Garza gave the City Commission a brief update on facility improvements. New shades were installed in the Community Room. The rest of the furniture for the Community Room should be installed in the next few weeks. The Tourism Department has been renovated. All plumbing and electrical have been done. Renovations for the Cottage Building will come from Certificates of Obligation 2016.

Mayor Fugate recessed the meeting at 5:40 P.M.

REGULAR MEETING RESUMES AT 6:00 P.M.

Mayor Fugate reconvened the City Commission meeting into the regular session of the City Commission meeting at 6:00 P.M.

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 – August 8, 2016

Mayor Fugate asked for a motion to approve the minutes of August 8, 2016.

Motion made by Commissioner Pecos to approve the minutes of August 8, 2016 as presented, seconded by Commissioner Pena. The motion was passed and approved by the following vote: Lopez, Pena, Pecos, Garcia, Fugate voting “FOR”.

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

1. Public Hearing on a proposed tax rate increase from \$.84220 to \$.89000 for Fiscal Year 2016-2017. (Finance Director).

Mayor Fugate announced and opened this public hearing at 6:03 P.M.

Mayor Fugate announced that this does not require additional tax rate as budget was worked on the current tax rate.

Mayor Fugate 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.

Mayor Fugate closed this public hearing at 6:04 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.”

Mrs. Alvarez reported that the next regularly scheduled City Commission meeting is on Monday, September 12, 2016. The deadline for staff to submit agenda items for this meeting is Friday, September 2, 2016. The City Offices will be closed on Monday, September 5, 2016 in observance of Labor Day.

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)

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

1. Motion to approve final passage of an ordinance amending the Fiscal Year 2015-2016 budget to extend the Parks and Recreation Brookshire Pool season. (Director of Finance).
2. Motion to approve final passage of an ordinance amending the Fiscal Year 2015-2016 budget for siren repairs due to storm damage. (Director of Finance).
3. Motion to approve final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter XI, Article 2, Ambulance Service, providing for the ambulance billing rates for services provided by the City. (Fire Chief).
4. Motion to approve expending funds from the City of Kingsville Employee Benefit Plan Trust for the City Health Fair (for employees and eligible dependents). (Human Resources Director).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

5. Consider out-of-state travel for City Commission to attend the National League of Cities Summit Conference in Pittsburgh, PA on November 16-19, 2016. (Commissioner Pecos).

Motion made by Mayor Fugate to approve the out-of-state travel for City Commission to attend the National League of Cities Summit Conference in Pittsburgh, PA, seconded by Commissioner Lopez. The motion passed and approved by the following vote: Pecos, Garcia, Lopez, Pena, Fugate voting "FOR".

6. Consider resolution authorizing the cancellation of the Interlocal Cooperation Agreement between the City of Kingsville and Texas A&M University-Kingsville relating to Eagle Ford Center for Research, Education, and Outreach. (City Manager).

Mr. Garza stated that the City of Kingsville continues its Economic Development efforts and the vision is to sell the building in order to pursue additional retail alternatives. After years of being unoccupied the City entered into an agreement in July, 2014 with Texas A&M University-Kingsville (TAMUK) for purposes of establishing an Eagle Ford Center for Research, Education & Outreach. This item authorizes the cancellation of a lease agreement between TAMUK and the City of Kingsville for the building located at 2211 South Brahma Blvd. With an increased focus on Economic Development and the recent move from Hobby Lobby to come to Kingsville and be located in Southgate Mall, it is important this building be considered for retail use. This cancellation will result in the sale of the building which will allow the City to pay off the debt owed on the building. The sale of the building will also place the building back on the tax rolls and would make it more feasible to pursue retail stores for the space which would bring jobs and sales tax revenue to the City.

Commissioner Pena asked if staff had made TAMUK aware of this cancellation. Mr. Garza responded that staff has made TAMUK aware and they are in support of the City to maximize its full usage of the building.

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

7. Consider resolution authorizing staff to proceed with placing for sale the City's building located at 2211 South Brahma Boulevard, Kingsville, Texas. (City Manager).

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

8. Consider a resolution authorizing the Mayor to enter into a Mutual Aid Agreement between the Commanding Officer of Naval Air Station Kingsville and the City of Kingsville, Texas for the provision of firefighting assistance. (Fire Chief).

Adrian Garcia, Fire Chief stated that the Kingsville Fire Department is requesting to renew the Fire Mutual Aid Agreement between the Naval Air Station Kingsville and the City of Kingsville Fire Department for the purpose of providing reciprocal fire and EMS services. The agreement includes the sharing of personnel services and equipment needed for fire prevention, protection of life and property from fire. This will include emergency services such as basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue incidents involving vehicles, water, trench, and confined space rescues. The Fire Mutual Aid Agreement is in support of efforts by the Kingsville Fire Department to improve community relations and meet operational support plans, better preparing the City of Kingsville and Fire Department in response to emergency incidents requiring additional support.

Mayor Fugate commented that these types of Mutual Aid Agreements are very important especially during BRAC.

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

9. Consider resolution authorizing the City Manager to enter into a Proposed Settlement Agreement between the City of Kingsville and the Kingsville Law Enforcement Association. (City Attorney).

Motion made by Commissioner Pecos to approve resolution authorizing the City Manager to enter into a Proposed Settlement Agreement between the City of Kingsville and the Kingsville Law Enforcement Association, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Pecos, Garcia, Lopez, Pena, Fugate voting "FOR".

10. Consider resolution authorizing the City Manager to enter into an Amended Interlocal Agreement between the City and Kleberg County for Constable Precinct #3 for dispatching services. (City Manager).

Mr. Garza commented that the County is experiencing some staffing issues for telecommunication operators at the Sheriff's Department and has requested a 60-day extension of the original 30-day agreement, which would result in a total of 90-days of dispatching services.

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

11. Consider awarding RFP#16-12 for City's self-funded group health insurance as per staff recommendation. (Director of Purchasing & Technology).

Mr. David Mason, Purchasing/IT Director, stated that this item authorizes renewing a contract for the services of a Third Party Administrator to administer a self-funded program for the City of Kingsville. Staff advertised the proposal on July 10, 2016 and July 17, 2016 in the Kingsville Record. Four potential vendors submitted proposals. All proposals received by the deadline of August 2, 2016 at 1:30 P.M. were opened and vendor names read aloud. Proposals were received from ENTRUST, Inc., TML Multistate Intergovernmental Employee Benefits Pool, Healthcare Highways and the Benefits Groups, Inc. The City's consultants, Carlisle Insurance Agency, Inc. reviewed all proposals submitted in response to RFP 16-12. Each proposal was broken down for easier review and comparison. On August 15, 2016 a recommendation was submitted for the City of Kingsville to continue with ENTRUST Ins. As the Third Party Administrator using Westport Insurance Swill RE as the stop-loss carrier. It is staff's recommendation the contract be awarded to ENTRUST Inc., of Houston, TX.

Mayor Fugate asked how long has the City of Kingsville been with ENTRUST. Mrs. Alvarez, City Attorney, responded that the City has been with ENTRUST since 2001.

Motion made by Commissioner Pecos to award RFP#16-13 for City's self-funded group health insurance as per staff recommendation, seconded by Commissioner Lopez and Commissioner Garcia. The motion was passed and approved by the following vote: Lopez, Pena, Pecos, Garcia voting "FOR". Fugate "ABSTAINED".

12. Executive Session: Pursuant to Section 551.072, Texas Open Meetings Act, the City Commission shall convene in Executive Session to discuss the purchase, exchange, lease, or value of real property as deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. (City Manager).

Mayor Fugate announced the Executive Session and convened the meeting into a Closed Executive Session at 6:23 P.M.

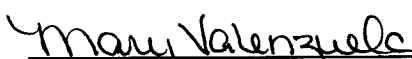
Mayor Fugate reconvened the meeting into open session at 6:40 P.M.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:40 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary