

APRIL 24, 2017

**A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, APRIL 24, 2017 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 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  
Diana Gonzales, Human Resources Director  
Charlie Cardenas, Public Works Director/Engineer  
Kyle Benson, IT Manager  
Susan Ivy, Parks Manager  
Sharam Santillan, Capital Projects Manager  
Cynthia Martin, Downtown Manager  
Israel Vasquez, Facility Maintenance Manager  
Emilio Garcia, Health Director  
Jason Alfaro, Parks & Rec Director  
Leo Alarcon, Tourism Director  
Derek Williams, Systems Specialist  
Adrian Garcia, Fire Chief  
Robert Rodriguez, Library Director

**I. Preliminary Proceedings.**

**OPEN MEETING**

**WORKSHOP:** Presentation of J.K. Northway Expo Center and Fairgrounds Master Plan. (City Manager).

Mr. Garza announced that this presentation will focus on the JK Northway Expo Center and Fairgrounds Master Plan. This was a process that began in January. At the time the City hired a firm named Populous that did a joint bid with Halff Associates. Garza stated that the process began by having stakeholder meetings as well as stakeholder and community input. There was also a public workshop that consisted of individuals from the surrounding neighborhoods around the JK Northway. The stakeholder groups were very engaged and involved which is important for this endeavor because staff wanted to make sure that what was looked at by Populous and Halff Associates met the expectations the need requirements of the users. The current facility doesn't meet certain standards regarding electrical, plumbing, restrooms, etc., but also doesn't meet some of the needs for some of the events that are going on there and what we want to happen in the future. This endeavor was much broader than simply looking at what can be fixed from the existing facility but rather looking at how the city could expand the facility and provide new opportunities for new events converting the facility to be normal for those purposes as oppose to not. Mr. Garza stated that tonight's presentation will have two options, one that keeps the front of the JK Northway facing North and an alternate option that transforms the facility and turns the entrance facing Hwy 77. Also, presented will be some cost associated each option. Garza further stated that tonight's conversation will not be to discuss how this project will be funded but more so focused on the options and the improvements that would come if the City went down on this venture of pursuing either one of these options. Garza commented that at a second meeting, staff can consider how to go about phasing in the improvements and how we can potentially fund these improvements. Whatever portion the City does contribute towards this effort, would come from the Hotel Occupancy tax dollars. Funds from the general fund will go to parks and streets and everything associated with this endeavor will come from the Hotel Occupancy Tax in terms of what the city's contribution will be. This will require public/private partnerships to make the whole vision a reality which is something that staff will get into at a separate meeting.

Mr. Todd Gralla of Populous gave an overview of the JK Northway Expo Center Master Plan. He stated that one of the first things they did was visited the JK Northway during the Livestock Show in February to give them a better understanding of how the building is used in its most intensive event. They also observed the conditions of the facility and did some shadowing with individuals in the stock show to better understand their challenges and ideas they may have related to the Coliseum. Mr. Gralla spoke about two options, one having the entrance to the JK Northway facing north and the second option with the entrance facing Hwy 77. He continued by showing pictures

of the grounds as to how they are now and what it would look like show both options. He stated that after reviewing the area during the Livestock Show, it's been noted that the Livestock space is short and limits their ability to keep the show at its former size as they were turning away some animals. This will require rebuilding the livestock holding area. Mr. Gralla stated that they also met with others event user's individuals that attend events in this area. The site plan shows a renovated JK Northway, new covered livestock pavilion area, which will be a flexible use space to be used for both horses, livestock and small animals. The plan also shows a covered arena and a potential horse stalling barn, if events were to grow such capacity, it would need additional stalling. On the side of the building, RV spaces would be added with full hookups, ample trailer parking, and lots of great circulation. Mr. Gralla stated that one key thing related to this master plan was the discussion about what will happen once the highway improvement were made. There's plan for a side road or access road next to Hwy 77 which gives the opportunity to have a new primary entry into the Dick Kleberg Park and the JK Northway Coliseum, which is indicated on the master plan as a split entry for the public. Regarding parking, the full site parking which is next to the soccer fields has about 1,323 parking spaces for cars. On the JK Northway side only there is about 850 parking spaces, 53 RV spaces and within that mix between 60 to 80 parking spaces, which will fluctuate depending the size of the trailer and many they can pack onto that site. The renovation of the JK Northway will include seating equipment.

Mayor Fugate asked Mr. Gralla that when it comes to both options, the interior of the JK Northway will be the same.

Mr. Gralla responded no. There are some significant differences. Mr. Todd continued to state that one of the things to update is the seating in the JK Northway. The retractable seating that in place now needs to be updated and doesn't meet today's standards when it comes to rise and height and other safety standards. This seating will be replaced with a new retractable seating system which is included in the budget. They also are proposing to remove the permanent wall on the north end of the arena which will open views into the arena when people walk through the main entrance. He stated that it is being proposed to remove the existing entrance on the Northside and rebuild a new entrance vestibule. Taking the small concession and making it into a ticketing office. The JK Northway also needs some office related to staff, sales, marketing event, and management. This would be built and connected to the existing meeting room. The plan also has for an expansion of bathrooms. Bathroom counts are based on current code requirements and available seating in the arena. With the new retractable seating, it would consist of 1,508 including accessible seating and Including floor which is another 2,200 there would be a total of 3,708 capacity in this building. The code research on the bathroom count is based on that number. It is being recommended that two concessions capabilities be built. One should be at least a cooking size with the ability to have grill hood where you would be able to cook food on location. The concession on the east side could be a package service only. Also needed is substantial storage area as well as a meeting room space. Populous also showed a slide for a basketball layout. Should the Coliseum ever meet this type of event as well as a concert configuration.

The projected cost for the renovation of the JK Northway Expo Center as presented by Populous is listed below.

**BASE PROJECT PHASE ONE - COLISEUM RENOVATION AND LIVESTOCK BARN**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Coliseum Renovation/Expansion	\$5,693,372	\$6,447,253
Livestock Barn Addition (NIC connector)	\$1,842,361	\$2,041,133
Site Development (approx 70%)	\$1,004,156	\$1,128,831
<b>Total Phase One</b>	<b>\$8,539,890</b>	<b>\$9,617,217</b>

**BASE PROJECT PHASE TWO - COVERED ARENA**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Covered Arena	\$4,056,067	\$4,446,652
Connector	\$179,989	\$199,408
Site Development (approx 15%)	\$215,176	\$241,892
<b>Total Phase Two</b>	<b>\$4,451,232</b>	<b>\$4,887,952</b>

**BASE PROJECT PHASE THREE - COVERED HORSE BARN**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Covered Horse Barn	\$3,061,766	\$3,380,029
Site Development (approx 15%)	\$215,176	\$241,892
<b>Total Phase Three</b>	<b>\$3,276,943</b>	<b>\$3,621,921</b>

**BASE PROJECT PHASE FOUR - MAINTENANCE & STORAGE BUILDINGS**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Maintenance & Storage Buildings	\$597,582	\$658,011
<b>Total Phase Four</b>	<b>\$597,582</b>	<b>\$658,011</b>
<b>TOTAL PROJECT</b>	<b>\$16,865,646</b>	<b>\$18,785,102</b>

**SOUTH ENTRY PHASE ONE - COLISEUM RENOVATION AND LIVESTOCK BARN** *Element*

<i>Est. Cost Low</i>	<i>Est. Cost High</i>	<i>Coliseum Renovation/Expansion</i>	
		\$7,340,216	\$8,168,427
Livestock Barn Addition		\$1,787,749	\$1,972,798
Site Development (approx 60%)		\$1,340,047	\$1,488,340
	<b>Total Phase One</b>	<b>\$10,468,013</b>	<b>\$11,629,565</b>

**SOUTH ENTRY PHASE TWO - COVERED HORSE BARN**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Covered Horse Barn	\$2,262,645	\$2,502,623
Site Development (approx 15%)	\$335,012	\$372,085
	<b>Total Phase Two</b>	<b>\$2,597,657</b>

**SOUTH ENTRY PHASE THREE - COVERED ARENA**

<i>Element</i>	<i>Est. Cost Low</i>	<i>Est. Cost High</i>
Covered Arena	\$4,056,067	\$4,446,652
Site Development (approx 25%)	\$558,353	\$620,142
	<b>Total Phase Three</b>	<b>\$4,614,420</b>

**SOUTH ENTRY PHASE FOUR - MAINTENANCE & STORAGE BUILDINGS** *Element*

<i>Est. Cost Low</i>	<i>Est. Cost High</i>	<i>Maintenance &amp; Storage Buildings</i>	
		\$597,582	\$658,011
	<b>Total Phase Four</b>	<b>\$597,582</b>	<b>\$658,011</b>
	<b>TOTAL PROJECT</b>	<b>\$18,277,672</b>	<b>\$20,229,078</b>

Commissioner Pena commented that this is an ambitious project and rendering, but comments that the proposed renovation is very nice. Pena then questioned that throughout all the presentation on the JK Northway renovation, was there a resounding preference of the two options.

Mr. Gralla responded yes. The preference was the option that had the entrance located on the south side of the building. This was the most preferable option.

Mr. Garza commented that this is just transformative with the highway expanding with the frontage road it gives us the opportunity to do something more grandiose in terms of a new entrance for both the JK Northway and Dick Kleberg Park.

Mayor Fugate commented that he has seen a lot of studies, but this plan is a plan that fits Kingsville and the JK Northway. Fugate further commented that the stakeholders that were in the room and had a preference are the same people the city will be asking for private/public partnerships.

Mayor Fugate called the meeting into recess at 5:45 P.M.

Mayor Fugate reconvened into the regular session of the meeting at 6:00 P.M. with all five Commission members present.

**INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)**

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

**MINUTES OF PREVIOUS MEETING(S)**

Regular Meeting – April 10, 2017

**Motion made by Commissioner Garcia to approve the minutes of April 10, 2017 as presented, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pena, Pecos, Garcia, Fugate voting “FOR”. Lopez “ABSTAINED”.**

**II. Public Hearing - (Required by Law).<sup>1</sup>**

None.

**III. Reports from Commission & Staff.<sup>2</sup>**

*“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, Utilities Billing Update; Police & Fire Department – Grant Update, Police & Fire Reports;*

*Streets Update; 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. Jesús Garza, City Manager presented the Fiscal Year 2016-2017 Quarterly Budget Report and the Fiscal Year 2016-2017 Second Quarter Investment Report. The Budget Report shows that revenues for the second quarter Fiscal Year 2016-2017 from all sources are on target for budget at 59.35%. Overall expenditures are on target for the first quarter Fiscal Year 2016-2017 at 41.91%. As for interdepartmental transfers, Resolution 2016-62, allows transfers between departments in the same fund without Commission approval as long as those transfers do not increase a department's appropriation by more than 10%. Interdepartmental transfers below 10% must be documented and provided to Commissioners on a quarterly basis through the Quarterly Budget Report. There are currently no transfers that meet this requirement. Intradepartmental transfers between account codes within a department but requires transfers greater than \$5,000 to be documented and provided to Commissions on a quarterly basis through the Quarterly Budget Report. At this time the City Commission was provided with a list of those budget transfers. For General fund balance and Utility Fund, the City established a Fund Balance Policy in 2008 and amended it by Resolution 2011-54 on September 26, 2011. The resolution dictates that the City will maintain a minimum unassigned fund balance in its General Fund and Utility Fund of 25% of the subsequent year's budgeted expenditures and outgoing transfers. Garza reported on the Second Quarter Investment Report for Fiscal Year 2016-2017. Garza stated that the Investment Committee which consist of City Manager Jesús Garza, Finance Director Deborah Balli, City Commissioner Arturo Pecos, and City Attorney Courtney Alvarez have met today on this report. Garza stated that there are no major changes on this report but do anticipate some major changes on the Third Quarter Report as there are funds being moved around to receive a greater return. The report shows that for total cash and investments is \$30,010,996.25. The comparison between last year and this year shows an increase due to the CO Funds that have been received this year. The appropriates percentages in cash that are required are being met. Non-Investment cash accounts totals to \$1,803,611.17, which has no change from the first quarter. Certificates of Deposit show the principal total of \$7,162,217.73 with interest earned through March 31, 2017 of an amount of \$11,753.37. The Debt Service Fund, staff is in the process of evaluating some options for the city with the ending fund balance. Staff has been having conversations with the City's Auditor to understand the City's options. Garza stated that the City could utilize to pay off the debt early or utilize this money for onetime expenses. Staff is in the process of evaluating this specific fund balance and how it can possibly be utilized. Garza stated that for this debt service there is no legal requirement to keep a certain percentage in a reserve, although it would be smart to have some money for that, but to what degree or extent. These are conversations staff is having internally now and if staff makes a recommendation on the required specific percentage or amount for reserves in that fund, staff will figure out what to recommend with the difference.

Mrs. Courtney Alvarez, City Attorney announced that the next regular scheduled meeting is on May 8<sup>th</sup>, with agenda item deadline Friday, April 28<sup>th</sup>. She further stated that agenda item #5, which is on the consent agenda, Brian Coufal did not need to be included on that list.

Mayor Fugate asked if this item needs to be removed from the consent agenda. Mrs. Alvarez responded that the item would need to be removed to exclude him when the motion is made.

Commissioner Lopez stated that Mr. Lance Hamm emailed all the City Commission concerning the speed limit on Hwy 77. Lopez stated that she had the opportunity to speak with him and stated to her that he is very concerned about all accidents that have occurred. Lopez stated that Mr. Hamm understands that they will be building an overpass in 2020, but he's also concerned about, as she is aware that TXDOT has performed two surveys in that area and did the 85% rule. She stated that Mr. Hamm is wanting to inform the city that Senator Lucio's office called him and they will be calling the city and the county to meet sometime the week of May 1<sup>st</sup> through May 5<sup>th</sup> regarding that location. Lopez stated that Mr. Hamm has asked her to retrieve some information for him, copy of the last accident report that occurred in that area as well for the last two years of how many citations or warnings have been given at that location, Bypass and FM 77.

Mrs. Alvarez asked that on the request for the information, is this something that Lopez was requesting, because he's done request before and he knows to go through the Open Record Request.

Commissioner Lopez responded that she needs that information as Mr. Hamm isn't available, therefore she will make the request.

Mrs. Alvarez responded that this was fine. It was just to make sure that staff gets exactly what it is she is looking for and understanding that since none of them are parties that understand State law there are certain things that would need to be redacted.

Commissioner Lopez commented that this was fine. She further asked if someone from staff could make themselves available to meet with Senator Lucio's office, County and Mr. Hamm.

Mr. Garza commented that staff will be ready to meet and discuss the issue.

Commissioner Lopez stated that she has located the resolution and asked if anything ever happened with that as it was listed on the minutes that TXDOT was not in favor so all they did was the blinking yellow light.

Mr. Garza responded that from his understanding, yes.

Mr. Charlie Cardenas, Public Works Director/Engineer commented that they also place rumble strips as well.

#### IV. Public Comment on Agenda Items.<sup>3</sup>

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

Mr. Jeff Trinker, 1118 Macino Lane, Richmond, TX, TML IRP Members Services Manager, commented that TML has greatly appreciated having the opportunity to serve as a partner with the City of Kingsville for the last 23 years. Mr. Trinker further commented that during that period they have had a very strong relationship and have paid out close to \$9 Million dollars to the City during that period. Last year there was a wind loss of approximately \$2.3 Million dollars. He stated that TML staff had some concerns regarding the proposals but they have provided those proposals concerns to City staff in the form of a letter.

#### 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 with the exception of Brian Coufal's name, seconded by Commissioner Pecos.**

Mayor Fugate asked Mrs. Alvarez if this is a proper motion or withdraw the motion and take the item out of consent and place under the regular section of the agenda.

Mrs. Alvarez commented that she was trying to understand the motion fully. Alvarez asked for clarification on the motion as being Motion to approve 1 through 4 or was the motion to approve items 1 through 5 without Mr. Coufal.

Commissioner Pena commented that he stated with the exception of number 5.

Mrs. Alvarez commented that then the motion that was stated is for items 1 through 4.

Commissioner Pena responded yes.

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

**1. Consider final passage of an ordinance amending the Fiscal Year 2016-2017 Budget to include proceeds from the final supplemental insurance claim for the May 31, 2016 storm event. (Finance Director).**

**2. Consider final passage of an ordinance amending the Fiscal Year 2016-2017 Budget to purchase additional water meters. (Finance Director).**

**3. Consider resolution authorizing the Chief of Police to enter into a Memorandum of Understanding with Houston High Intensity Drug Trafficking Area (HIDTA) for law enforcement data sharing, at no cost to the City. (Chief of Police).**

**4. Consider reappointment of Zoning Board of Adjustment members Ricki Cunningham, John Garza, Albert Garcia, and Wayne Quandt to two year terms. (Director of Planning and Development Services).**

## **REGULAR AGENDA**

### **CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:**

#### **VI. Items for consideration by Commissioners.<sup>4</sup>**

**5. Consider reappointment of Planning & Zoning Commission members Steve Zamora, Lupe Alvarez, Debbie Tiffie, Bill Aldrich, Brian Coufal and Ramon Perez to two year terms. (Director of Planning and Development Services).**

**Motion made by Commissioner Lopez to approve the reappointments of Steve Zamora, Lupe Alvarez, Debbie Tiffie, Bill Aldrich, and Ramon Perez to two year terms to the Planning & Zoning Commission and excluding Brian Coufal, seconded by Commissioner Garcia. The motion was passed and approved by the following vote: Pecos, Garcia, Lopez, Pena, Fugate voting "FOR".**

**6. Consider awarding the All-Risk Property Insurance Policy coverages (RFQ 17-011), as per staff recommendation. (Risk Manager).**

Mr. David Solis, Risk Manager, reported that this item authorizes the award of the City's All-Risk Property Insurance Coverages for the period May 1, 2017 through September 30, 2018 covering perils of Fire, Flood, Earthquake, Lightning, Windstorm/Named Storm and equipment breakdown. The City of Kingsville advertised for proposals for All-Risk Property Insurance Policy on Marcy 19<sup>th</sup> and March 26, 2017. Two proposals containing various options were received. Proposers included TML-IRP, Victor O Schinnerer, and Carlisle Insurance. Each proposal was judged to have met the current policy's terms and conditions. Cost of the coverage is \$213,607.75 for the period of May 1, 2017 to September 30, 2018. The proposed minimum is \$44,454.85 less than the current policy premium. This award will not impact the City's policies of General Liability, Auto Liability, Auto Physical Damage, Crime and Animal Mortality and Workers' Compensation coverages. Those coverages will still be maintained by TML-IRP. Solis further commented that it is staff's recommendation to award the All-Risk Property Insurance Policy coverage to Carlisle Insurance for the period of May 1, 2017 through September 2018.

**Motion made by Commissioner Pecos to award the All-Risk Property Insurance Policy coverages (RFQ 17-011), as per staff recommendation, seconded by Commissioner Pena. The motion was passed and approved by the following vote: Garcia, Lopez, Pena, Pecos, Fugate voting "FOR".**

**7. Consider a resolution authorizing the City Manager to enter into Amendment Two of an Interlocal Cooperation Agreement between the City of Kingsville and the University of Texas-San Antonio relating to a Sponsored Research Agreement for the downtown area. (City Manager).**

Mr. Garza reported that this item is an amendment to the agreement the City has with UTSA who completed our Downtown Vision Plan. In a prior meeting, it was mentioned that the city was going to undertake additional work from UTSA to develop some additional options that didn't completely shift the parking to parallel parking. What this amendment does is that it extends the time of our partnership with UTSA and includes an additional \$2,500 fee which is intended to cover the continuation of them providing renderings and options for the City to bring back forth to the Commission as a presentation which includes the mid-block bow bouts and things of that sort.

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

**8. Consider accepting a \$25,000 donation from the HM King High School Historical Foundation for the gymnasium demolition project. (City Manager).**

Mr. Garza announced that the next two items are in relation to receiving funding assistance from the HM King High School Historical Foundation for the gymnasium demolition project. Staff is in the process of finalizing an RFP process for this demolition that was closed last week. Staff is in the process in reviewing those proposals with the anticipation of the award to occur on the first meeting in May, 2017 which is at the same time the second reading will take place for the next two items would occur.

**Motion made by Commissioner Pena to approve the acceptance of \$25,000 donation from the HM King High School Historical Foundation for the gymnasium demolition project, seconded by Commissioner Lopez and Commissioner Pecos. The motion**

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

**9. Consider introduction of an ordinance amending the Fiscal Year 2016-2017 Budget to accept and expend a donation from the HM King High School Historical Foundation for the gymnasium demolition project. (City Manager).**

Introduction item.

**10. Consider accepting a \$9,000 donation from the Brookshire Foundation for Parks Department summer recreational programs. (Parks Director).**

Motion made by Commissioner Garcia to accept a \$9,000 donation from the Brookshire Foundation for Parks Department summer recreational programs, seconded by Commissioner Pecos. The motion was passed and approved by the following vote: Pena, Pecos, Garcia, Lopez, Fugate voting "FOR".

**11. Consider introduction of an ordinance amending the Fiscal Year 2016-2017 Budget to accept and expend Park donations from Brookshire Foundation for summer programs. (Parks Director).**

Introduction item.

**12. Consider a resolution finding that AEP Texas Inc.'s Application to amend its Distribution Cost Recovery Factors to increase distribution rates within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel. (City Attorney).**

Mayor Fugate asked if the Commission does not respond, would it be considered as a denial.

Mrs. Alvarez stated that if the Commission takes no action then the rates will automatically go up as much as they want. Alvarez further commented that for utilities that operate in the city limits, the city still retains original jurisdiction with regards to looking at those. There has been some erosion of authority to review and challenge certain rate increases and those were successfully obtained by utility lobbyist a few years ago in the Legislature because use to be anytime there was a rate increase that can be challenged. Alvarez stated that they are bifurcated into two different types of rate increases, some of which the city has the original jurisdiction to challenge and others that we do not. This is one area that the city still has original jurisdiction to still challenge it and not to say that they shouldn't have any increase but just to have the opportunities for all the cities to look at rates and hire experts to review them and make sure that they are accurate and not excessive. About a year ago they brought forward a different rate case and at that time the city denied it and joined a group of other cities to review that and where there was some shaving off of the requested rate increase. Lots of other cities that affected by this impact are also considering these resolutions and hiring the experts together so that one city isn't out of pocket, you join into a group and it doesn't cost the city anything.

Mayor Fugate asked if the company must pay for all the expenses. Mrs. Alvarez responded yes, they are responsible to pay for the experts and attorneys that are hired.

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

**13. Consider a resolution revising the City of Kingsville Administrative Policy No. 881.00-Emergency Services Policy. (Risk Manager).**

Mr. Solis stated that the attached document includes the revisions to the policy. Items to note include: adding the title Emergency Management Coordinator as the primary individual responsible to ensure the provisions of the policy are carried out before, during and after the emergency event or disaster; the title of Department Head was revise to Department Director; language was added to include that the Police Chief may set a higher readiness phase condition in matters involving Law Enforcement; language related to sheltering City employees was revised to state that the City shall take the necessary steps to safely accommodate on-duty personnel during the emergency event or disaster as needed; language was added to note that Fire and Police civil service personnel investigations and disciplinary actions are governed by Texas Local Government Code Chapter 143 and by any collective bargaining agreements; removal of five out of the six circumstances described allowing for automatic waivers. All waiver requests except for employees on illness or injury leave shall be presented to a three-member panel; language was added indicating that upon activation, exempt employees who exceed 40 actual hours of work per week shall be eligible for overtime at the rate of one and one-half times of the employee's hourly rate or by compensatory time at the rate of one and one-half hours for

each actual hour worked over 40 hours per week. This provision for exempt employees will be enacted only upon written notification to Department Directors by the City of Manager.; policy acknowledgement and waiver forms revised.

**Motion made by Commissioner Pecos 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".**

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 6:47 P.M.

  
Sam R. Fugate, Mayor

**ATTEST:**

  
Mary Valenzuela, TRMC, City Secretary