

AUGUST 21, 2017

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 21, 2017 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 4:00 P.M.

CITY COMMISSION PRESENT:

Sam Fugate, Mayor
Edna Lopez, Commissioner
Al Garcia, Commissioner
Noel Pena, Commissioner
Arturo Pecos, 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
Sharam Santillan, Capital Projects Manager
Israel Vasquez, Facility Maintenance Manager
Emilio Garcia, Health Director
Jason Alfaro, Parks & Rec Director
Derek Williams, Systems Specialist
David Solis, Risk Manager
Bill Donnell, Asst. Public Works Director
Adrian Garcia, Fire Chief
Charlie Sosa, Purchasing Manager
Ricardo Torres, Police Chief
Leo Alarcon, Tourism Director
Deborah Balli, Finance Director
Cynthia Martin, Downtown Manager
Susan Ivy, Parks Manager
Stacie Pena, Finance Manager
David Bodiford, Finance Supervisor
Robert Rodriguez, Library Director
Victoria Butler, Municipal Court Supervisor
Diana Medina, Collections Manager

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting at 4:01 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)

None.

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

None.

III. Reports from Commission & Staff.²

“At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, 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. Courtney Alvarez, City Attorney reported that the next regular Commission meeting is on Monday, August 28, 2017.

Mayor Fugate commented that on the August 28th agenda he has requested for a resolution to be placed on the agenda supporting the new refinery that is being proposed in Duval County which will be near Hebronville. This refinery will eventually employ 600 individuals from the surrounding areas.

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)

None.

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

1. Review and discuss proposed fiscal year 2017-2018 budget for departments of the City of Kingsville. (City Manager).

Mr. Jesús Garza, City Manager gave the Commission a budget overview. Garza stated that some of the priorities for the organization are to invest money into the Parks, streets, drainage, and sidewalks. The consolidation of some departments is also a priority for cost savings purposes. Public safety is always a priority as well as downtown revitalization. The three-year compensation plan that was discussed last year, unfortunately there are not enough funds to continue with year two, as it was presented last year. There are some minor adjustments to the compensation plan which will be discussed during the budget workshop at a future meeting. It is also not possible to do a Cost of Living Adjustment (COLA) for all employees for this upcoming budget year. Garza continued by giving the City Commission a budget overview on expenditures. From the revenue standpoint, staff has been tracking through the quarterly budget reports that the Municipal Court revenues are not coming in as budgeted. Staff has budgeted accordingly and have budgeted about \$50,000.00 less for next fiscal year than what was budgeted this current year. Also tracked is that growth from a planning aspect hasn't occurred as fast as it was historically causing those revenues to come down as well. There is a small reduction in the Planning Department in the range of \$10,000 to \$15,000 associated with fees within this department. These adjustments were made to make sure that the budget is as accurate as possible. One of the new things that is in this year's budget is a master fee schedule. This master fee schedule has consolidated all of the fees that the city has in various ordinances. Having a master fee schedule is critical for the city as we need to diversify our revenue stream to keep up with our expenditures. As for expenditures, there are several increased expenses that have caused expenditures to increase. Health care cost continue to rise and as they continue to rise the city's amount of contribution towards that effort increases. Several other items have attributed to the city's expenditures such as maintenance related expenses for additional maintenance to city facilities. The city has some commitments it needs to abide by, such as collective bargaining and anniversary increases to which the city has a commitment to city employees. Garza further commented that on the revenue side, the city should see an increase of \$125,000 in sales tax revenue. Garza reported that general fund, proposed departmental expenditure budget are, 45% goes to Public Safety; 17.55% Administration; 14.66% Public Works; 14.42% Quality of Life; and 8.48% Streets. This is about the same as last years. These numbers are common to other cities. Items related to organizations and staff, for this proposed budget there is one less full-time position, which is the Sanitation Supervisor position which is now consolidated into the sanitation and landfill operations, which will become permanent. There is an increase in part-time

positions of three. One of these is an additional maintenance worker which is needed as the city has more buildings and more space to maintain. One of the part-time positions is in the Tourism Fund which will assist with the JK Northway. The intern program with Texas A&M University-Kingsville will continue. Interns will be placed at Parks Department, IT Department, Planning Department, and the Animal Shelter. Some of the changes in the budget is that for the first time in almost 20 years, staff is proposing to change the numbers in civil service positions by adding a Firefighter to the budget. That one position has the potential to turn into three positions, depending on the grant that has been applied for, which was previously discussed in Commission meetings. The money that is in the budget to pay for the one position is more or less the same amount of money that would be required during year one of paying for those three positions. Garza commented that this is going to be determined on whether or not the city receives the grant that was applied for. As for the Engineering and Public Works, it is separated in the organizational chart resulting in changing the Assistant Public Works Director to Public Works Director. Engineering position remains in the same category. Public Works Director will report to the City Engineer. The Kingsville Volunteer Fire Department is restructured in the organizational chart to be a separate division under the Kingsville Fire Department and under the direct oversight of the Fire Chief. The shift of a part-time customer service representative, from the Parks Department to the Fire Department. This position will directly work with Fire Chief Garcia to assist in the new things that will be implemented in the Fire Department relating to permitting, fees, and other things the department will or is handling. Garza further commented on infrastructure. He stated that one of the important decisions this Commission will have to make as part of the budget process related to the fund balance. One of the things that has come up over the several months is increasing investment into streets. With there being no capacity of Certificates of Obligations (CO). The city has \$900,000 that has been collected from the street fee. Staff will be able to do Sixth Street and Santa Gertrudis by utilizing some of the CO funds as well as being creative with other funds.

Mayor Fugate asked when this was proposed to happen. Mr. Garza responded that it will be brought forward during the meeting on August 28th for Commission approval. There were some minor adjustments made to keep it within budget.

Mr. Garza continued to comment on the fund balance. He stated that there is an option in the budget that will take the fund balance from 25% to 20%. Staff has gone through an exercise of trying to gauge where cities are with these fund balances. Staff did some research with GFOA, which is the association that all cities look at for guidance when it comes to finances. They recommended a minimum recommendation of 60 days, which the city does 90 days. Garza surveyed all the local City Manager's and asked about what their fund balance percentage was, which range from 20% to 25%. Garza commented that this is very common to be in that range. You always want to be at the highest as it shows true financial health, but nonetheless, there is an option in the budget to decrease it to 20%. By doing this, it would free up nearly one million dollars from General Fund to be used towards streets. It could be utilized for other one time expenditures, if the Commission chooses to use for other projects. The key is for one time expenditures. It is not recommended to be used for salaries or any recurring maintenance related to expenditures. If the same rational was done to the Utility Fund balance and dropped from 25% to 20%, it would free about \$425,000. There are some projects in the budget being funded out of this for example the replacement of ground storage tanks and other equipment. If the decision is made to keep it at 25%, it will not have an impact on the general fund as it has been allocated for a future one-time project. On the Utility Fund side, staff would need to take a look at the Utility Fund budget to figure out how some of these things would be paid. The Utility Fund has been declining due to the continual support of the CO that are in the Utility Fund. Garza stated that staff has had a conversation with the financial advisor regarding the drop of the fund balance and how it would impact the city's credit rating and the long term financial sustainability. The financial advisor spoke to the rating agency that currently has the City rated at an A+. The information the city received was that it would not impact the city's credit rating because the score card that they utilize is based on if you have 15% or more in fund balance, you score well in financial management. If the Commission decides to decrease the fund balance this year to 20%, and solely focus on one time expenditures, the city would have the option to build that back up. After conversations with other financial advisors regarding the state of the city and the capacity for debt, the city is eligible for another CO until 2022 or 2023. This will give the city the ability to drop the fund balance to 20% and over the next 4 to 5 years, build it back up at 1% at a time. By the time it comes around to being eligible to get another CO, the fund balance will be back up to 24% to 25%. The important factor is to utilize those funds for one time expenditures so that the city has those options.

Mr. Garza mentioned some of the foreseeable challenges for the city that may come up in the next couple of years. Some of these challenges are Tourism, which was a concern last year as staff shifted the JK Northway from the Parks Department to the Tourism fund.

Mayor Fugate stated that he is aware of a new hotel that opened last week, this being La Quinta, and the Marriott opening hopefully in the next six months. Fugate asked staff if there had been any projections on what this will do to the Hotel Occupancy Tax Fund.

Mr. Garza responded that there haven't been any formal projections, other than normal conversations with hotel owners and managers. He stated that some hotels will be downgrading which will cause rates to go down. One other thing that was expressed to staff was that if it wasn't for all the worker's that are here for the pipeline, it would be a very bad year for the hotels. This is something that is being impacted on a regional level and a state level. Garza further mentioned that when the City and County went into an agreement about four years ago for the maintenance of the Parks and JK Northway, the JK Northway was in the Parks. The intention from the County was that their contribution to the City would include some assistance for maintenance of the JK Northway. This was the intent of the agreement, as the County owns the JK Northway and the city was only operating the facility. When the JK Northway was moved from the Parks Department to the Tourism Department, this was no longer happening as the entire contribution that the County was giving the city was strictly going into the general fund. In this year's budget and to honor that intent, the city has a transfer of \$25,000 going from the general fund to Tourism specifically for the JK Northway. Garza mentioned that in this budget is a storm water fee increase from \$1.25 to \$2.25. This increase will help with the utility fund long term as it was intended to pay for the debt service for the 2013 drainage CO. Garza stated that one thing that is not in the budget that is somewhat related to utility fund was that in 2013, the City got a drainage CO which only has enough money for the next two fiscal years. Come fiscal year 2020, the city will no longer will have any money to go towards curb and gutter. This is something that staff will need to find a solution for in the next few years. The city has spent about \$350,000 per year to go towards concrete streets and curb and gutter.

Mr. Garza spoke about the Golf Course budget. Since the City has taken over, including this budget, the total budget for the Golf Course is over \$1 Million Dollars. The city loses almost \$300,000 per year in the Golf Course. The Golf Course will never be self-funded. Garza mentioned that he has had conversation with other cities that maintain their own golf course, and they subsidize them from the range of \$100,000 to \$150,000.

Mayor Fugate commented that he feels that the city would be within that range but one of the things the city has not done is (inaudible). Mayor Fugate made some other comments that were not picked up in the audio, as he was away from the microphone. Mayor Fugate commented that until the city gets the golf course in repair, the city will continue to have numbers like this.

Mr. Garza commented that staff will improve this. There has been conversations about ideas that can help offset those revenues, which is something that will be discussed in the future. Garza further commented that one of the things that staff is working towards is the combination of the drainage improvement plan with the irrigation system. Garza stated that there are other things that are attributing to the problem that are not associated with irrigation, such as cart paths. Cart paths go through fairways and because cart paths stick above the ground is what is causing ponding issues at the golf course.

Discussion on department budgets take place at this time.

Administration Department – City Commission-100.0 & City Manager-101.0

Mr. Garza stated that there aren't many changes to these two budgets. For the City Commission budget, training and travel has an increase of \$5,000, \$1,000 per Commissioner. This brings this item up, per Commissioner from \$4,000 to \$5,000, which is the original amount that it had been a couple of years ago.

Commissioner Lopez asked about the travel mileage reimbursement.

Mrs. Deborah Balli, Finance Director stated that the amount is being budgeted, but was inadvertently placed in another line item within the budget. It will be moved to the proper line item.

Commissioner Garcia stated that the training and travel budget, it was decreased for the past three years. With expenses going up, an additional \$1,000 is still too low for what it should be. He stated that he is aware that there is a Commissioner that pushed for that decrease to which they all agreed to, not only do the employees need to continue being educated but so does the City Commission. By not going to these educational conferences, it does not do the city well. Commissioner Garcia commented that he would like to increase the training and travel for each Commissioner by an additional \$1,000, to bring it up to \$6,000 per Commissioner. This will give the opportunity for those Commissioner to attend conferences and those that don't will keep their money in the budget which can be used at the end of the fiscal year to clear any negative balances within the general fund.

Mayor Fugate stated that the reason for the decrease in the past was that, that particular year all departments took a decrease in their budgets. It was only fair that if departments took a decrease, so would the City Commission budget in order to lead by example. Fugate

further asked City Manager Garza if he intent this year was to increase all departments training & travel.

Mr. Garza responded that some departments will see a decrease within their budget through various line items. Garza further stated that it is as important for the Commission to attend professional development conferences as it is for staff.

Mrs. Mary Valenzuela, City Secretary spoke about the preservation and restoration of city documents project which is contracted with Kofile. Mrs. Valenzuela stated that the project is budgeted within the City Commission budget under professional services. This project is on its second phase of a five-year plan. The amount budgeted for the upcoming fiscal year is \$22,000.

Commissioner Garcia asked how long is the phases for this project. Mrs. Valenzuela responded that the project is a five-year project that will cost \$22,000 per year. Valenzuela further commented that the reason that the project is being done yearly it that a Commissioner had a concern about being locked into a five-year plan, and what would happen of one of the five years was not able to be funded. This is the reason what the the project is being funded one year at a time, as money is available. Commissioner Garcia asked if staff was satisfied with the service done by Kofile. Mrs. Valenzuela responded that it is a small price to pay for the preservation and restoration of the city records. She further commented that she is very satisfied with the service provided by Kofile.

Mayor Fugate commented that this project is highly important to our city.

Mr. Garza continued on with the City Manager's budget. The amount in the professional services for this department is there to serve as a contingency due to an increase for health insurance purpose. With him getting married soon, his spouse will be added to the insurance which will have a budget impact of \$6,100 when it happens.

Commissioner Garcia asked if this was done for any other employees that may have a status change. Mr. Garza commented that it was done as open enrollment occurred last month with there were some changes made.

Legal Department 140.0

Mrs. Courtney Alvarez, City Attorney stated that within her department, the same amount of budget that was submitted last year was submitted for this upcoming fiscal year. The only change is that for her employee that will be receiving her increase for her three-year anniversary.

Human Resources 110.0

Mrs. Diana Gonzalez, Human Resources Director stated that the Human Resources Department (HR) is committed to service. The department serves as a strategic partner to all departments by attracting, developing and retaining a highly qualified and diverse workforce through the administration of cost-effective and results oriented human resource programs, policies, services, and practices. The mission of the Human Resources Department is to provide the highest level of human resources services as it related to the recruitment, selection, training, and retention of city employees. This includes the administration of benefits, employee relations, compliance with relevant employment laws and managing risk to foster relationships and promote a qualified, diverse, and valued workforce. The Human Resources statement of values are commitment, integrity, excellence, cooperation, and fairness. The Human Resources staffing consists of four employees. This includes a change that was made last year, moving the Risk Manager into the Human Resources Department and an Administrative Assistant II. The HR Department sees a workforce of approximately 300 to 335 full-time, part-time, and seasonal employees. The HR functions are front desk customer service for City Hall, support services (ID badges), recruitment and selection, onboarding, compensation & benefits, civil service administration, risk management, training & development, and employee appreciation & recognition. Gonzalez further stated that budgeted for Category 20-Supplies is \$20,000. This is for supplies, safety incentive supplies, minor equipment, employee recognition supplies, uniforms and personal wear, and education material supplies. In Category 30-Services is \$58,700 which is for communications, printing & publishing, training & travel, catering, subscriptions, professional services, printing of employment ads, membership dues, and medical treatment.

Mayor Fugate commented that within this budget, there is an increase of \$10,000.

Mrs. Gonzales commented that this increase is for a wellness program for the employees. She further stated that the total for categories 20 and 30 is \$79,495. HR initiatives are to provide employees with a current onboarding process, provide employees with benefits information, provide review of departmental procedures, provide employees with continual training opportunities, provide employees with health and wellness information, provide public with easy access to job vacancy information and application process, and maintain employee compensation plan and scheduled anniversary increases. The city has had 71 on boarded employees for this year. There has

been 55 separations for the year and the annual turnover is at 12% as of July 1st. There has been a significant for the full-time positions.

Commissioner Garcia asked that with the exit interviews with employees, are they being asked for the reason for leaving.

Mrs. Gonzales commented that there is an optional form that is given to the employee that they can fill out and give any suggestions they may have with regards to the city's benefits, or pay structure.

Mr. David Solis, Risk Manager, stated that oversees the safety program for the city and the employee safety & recognition banquet. He makes sure that the city is in compliance with state and federal required postings and keeps up with city policies. Solis stated that he is working on a leadership academy which is a nine-day academy for supervisors that is scheduled to start in October of this year. Another task he is taking on is the health & wellness program. The city is working on a program where the employees can accumulate points throughout the year by doing some health activities. At the end of the year, the employee will receive an award, which is still being determined. Also in the work is a family health and wellness plan for employees and their families. Solis displayed a training calendar for 2017. This training is done for all city departments. This month the city had an AED training that was available for all city employees. This training was done throughout city buildings so that all its employees could attend. AED's have been installed at all city buildings. Solis stated that the Leadership Program was developed to be able to provide the supervisors to develop and refine the skills in effectively managing employees.

Commissioner Garcia commented that as for the NIMS training, it is required for elected officials to take some training in these courses and are they required to take refresher course on this.

Mr. Solis responded that it is recommended that the Commission take some of the basic NIMS training. Solis further discussed the performance measures for claims. Worker's compensation continues to go down. This says a lot about our employees taking extra precautions in order for them not to get injured. Staff is also working hard in keeping the general liability, auto liability, and auto property damage claims down.

Mrs. Gonzales stated that reported on the changes for the Health Plan. The current medical plan design was implemented in October 2001. The City, over the years, has made minimal changes to the plan design and/or employee contributions while benefits have remained and overall cost have increased. The HR Department will be working with the City's consultants to evaluate existing plan designs and bring to the City design change options. For fiscal year 2017-2018 the plan design in place fiscal year 2016-2017 remains unaffected for existing employees. The City's consultants are evaluating plan design options for employees hired on or after a specific effective plan date. Gonzales commented that there will be a separate workshop scheduled with the City Commission to discuss the health plan for the upcoming fiscal year. At this time, the city stands at \$3.1 Million from October 2016 to July 2017.

Mr. Garza commented that with two months left in the fiscal year, it is projected to be hirer than last year.

Mrs. Gonzales further stated that the HR Department objectives goals are compliance, recruitment & retention, employee development training, workplace safety, and employee work/life balance, wellness and appreciation measures. Some of the department accomplishments for fiscal year 2016-2017 are: implemented a new compensation plan structure; assisted in negotiation of a 4-year collective bargaining agreement with Fire Union and a 3-year agreement with Police Union; developed supervisor Leadership Academy; incorporation of risk management function into the Human Resource Department; incorporated aspects of City Hall customer service into daily Human Resource Department operations; updated City of Kingsville Occupational Safety Handbook; and implemented the beginning of a Health & Wellness Program.

Finance 180.0

Mrs. Deborah Balli, Finance Director stated that under the Finance goals and objectives within all the departments, they have tied all the goals and objectives to the City Commission goals and objectives. The Finance Department is over accounting services which are all of the CAFR, budgeting and basic accounting services. This year, the Purchasing Department was merged into the Finance Department. This merge brought over the Purchasing Manager and Administrative Assistant positions into the Finance Department. The Finance Department accomplishments are to strive in getting an unqualified opinion from the auditors which will show that good work is being done in accounting for the city. Another accomplishment is the removal of a long-standing audit finding by reconciling all asset and liability accounts.

Commissioner Garcia asked how many years did staff have to go back in order to accomplish this.

Mrs. Balli responded that they went as far back as they had records. The findings were from years in the past.

Commissioner Garcia asked how many years did staff start.

Mrs. Balli responded that it was a very worthwhile endeavor and getting rid of this finding was something that she was very proud to do. Balli further commented that the Finance Department also submitted the Fiscal Year 2015-2016 CAFR Report for the GFOA Certificate of Excellence Program. Also submitted was the Fiscal Year 2016-2017 Annual Budget for the GFOA Distinguished Budget Award. The Finance Director and Accounting Manager retained CPA certifications by fulfilling the required CPE certifications. Finance Director retained CGFO certification fulfilling the required CPE certifications. Finance Director graduated and obtained the 2017 Leadership Fellow Award through Texas Municipal League Academy. The goals and objectives for the Finance Department are to ensure long-term financial success of the City through sound financial management. The Finance Administration had a decrease in their budget for an amount of \$18,087. The decrease is due to audit service fees reduced.

Purchasing Division

Mr. Charlie Sosa, Purchasing Manager, reported that the Purchasing Manager reports to the Finance Director. His primary responsibility is to ensure that commodities, services and utilities are procured at the best possible price while managing the competing priorities of quality and service. Part of this role is where we are responsible for developing and managing the city's purchasing strategy. The Purchasing Manager has developed and improve working relationships with suppliers, lead contract negotiations and ensure the cities reduces waste by improving supplier performance and minimizing capital tied up in unnecessary spending. This is an extremely varied role covering all spending areas. Mr. Sosa stated that some of the special projects he's been tasked with are the Municipal Building renovation, JK Northway proposed canopy, and existing manhole rehabilitation. Some new RFQ's that his division has gone out for include depository services, financial advisor, golf course irrigation components, National Register of Historic Places Nomination, and Santa Gertrudis Street Improvement. Some of the proposed RFQ's and RFA's being worked on by the Legal Department include 2017 electrical services, JK Northway Canopy, City of Kingsville Rate Study which include water, wastewater, solidwaste and transportation.

Mayor Fugate commented that when the Foundation renovated the new City Hall, they had a construction manager that was paid a whole lot of money, although they also saved a lot of money. Fugate further asked Mr. Sosa if this is the type of role that he is going to have.

Mr. Sosa responded that he is looking over some of the projects. This will allow him to see where and how the city can save some money.

Municipal Court

Ms. Victoria Butler, Municipal Court Supervisor reported this has been a challenging year for her department. From the change in her staff and the roles that they play and the implementation of the update Incode system. Despite some the changes to her department, staff continues to push forward by docketing cases and processing cases in a timely manner. During the fiscal year 16-17, as of today, the court received a total of 3,506 new cases filed, while having had judgment entered on 4,137 cases as of today. A total of 1,366 warrants were processed while 1,178 were cleared by warrant and payment of fine. The court has also maintained the DPS FTA program OMNI. In the court using OMNI Base defendants who neglect to pay or fail to appear for court have a hold placed on their driver's license. This adds a statutory \$30.00 fee to lift a license hold. This year 258 cases were placed with OMNI and 97 were cleared. Butler continued to stated that for fiscal year 2018, her department did not make any changes to the budget. The only changes her department had is for personnel increases due to anniversaries and health care cost and some increase in training & travel. One of the many goals for the Municipal Court Division is to ensure the highest level of customer service and uphold customer confidence while maintaining codes of judicial conduct. Some of the division accomplishments are as followed: two staff members passed a rigorous four-hour test becoming Level One certified and Level Two Certified as a court clerk. She anticipates tow more staff members becoming Level One certified by the end of 2017, making all staff members from her division certified. Other accomplishments are the conversion court software to Incode Version 10 to ensure that the court is up to date with technology allowing better and more efficient work processes for court staff. She further mentioned that she attending a Legislative Update on the new laws that will be implemented September, 2017. Citizens that have court fines will be able to make their payments 24/7 through PSN, Payment Service Network. PSN will have a live representative 24/7, should the customer need to speak to someone regarding their payment. She further commented that her and her staff are diligently working to accomplish their goals and looking forward to the renovations being proposed for the Municipal Building.

Facility Maintenance

Mr. Israel Vasquez, Facility Maintenance Manager reported that his department mission is to efficiently maintain facilities so that employees and visitors may conduct business in a comfortable environment. Services provided by his department include general cleaning services of common areas, offices and restrooms. Secondary duties include weekly or month detailing assignments, including floor maintenance. General maintenance services include, but are not limited to HVAC preventive maintenance and repairs to mechanical equipment, painting, plumbing, electrical systems, and lawn care at city facilities. Security is provided to core downtown buildings through a physical presence, which is aided by technology. Several other city owned and operated sites are monitored by closed circuit TV in the security command center. Energy management is proactive effort to save on electrical, heating and cooling costs through education of building tenants on energy conservation behaviors and by monitoring building lighting and heating. The function of the Facilities Management Division is to provide custodial, security, landscaping and maintenance services for nine city buildings totaling over 700,000 square feet of space. This includes all city buildings as well as City/County Public Health Facilities. Some of the success of the division include savings of over \$15,000 by reconstructing the Cintas agreement; remodeling of Parks Director building; management of projects throughout the city and within budget; project management of the Cottage Building; abatement and demolition of the old high school gym building; coordinating with architects on the remodeling of the Municipal Building; installation of new roof at the Public Works Building; project management of the new skate park and the pump house project. The Division is in the process of rating the energy efficiency of all city buildings through the use of EnergySTAR. EnergyStar is a program of the U.S. EPA and the U.S. Department of Energy to help save money and protect the environment. This will help in measuring current energy performance, setting goals and tracking savings. Once complete, the City will have better knowledge of which facilities are most in need of energy efficiency improvements.

Commissioner Garcia asked how long its been since the old City Hall has been re-roofed.

Mr. Vasquez stated that he can only guess that it's been about 25 to 30 years since that building has been re-roofed.

Mayor Fugate commented that a new roof was done about 11 to 12 years ago.

Mr. Garza commented that staff will do some research on this and will get back to the Commission. Garza further stated that there is an increase in this department for a part-time position.

Commissioner Pecos asked how many staff does Mr. Vasquez supervise.

Mr. Vasquez responded that under his supervision is five part-time employees.

Information Technology Department

Mr. Derek Williams, Systems Specialist, reported on the Information Technology Department budget. Mr. Williams stated that there are two staff members in the IT Department. The department had a part-time employee but has since been removed which give the department a savings. The basic department functions are desktop support services, network services, and cellular/mobile device support. Network security, telecommunication support, and physical building security. Some of the accomplishments and completed projects for fiscal year 2017 include, maintain 99.9% network uptime; evaluated, acquired, and implemented POS systems at LE Ramey Golf Course as well as the Parks system and Tourism Department. Other accomplishments are the deployment of VoIP phone systems at the Community Appearance, Park Offices, Tourism Office, and Golf Course. The installation of security cameras at the Health Department, City Hall, Public Works, Brookshire Pool and Golf Course. Williams stated that his department also reconstructed and updated Dick Kleberg Park Office and Community Appearance network. The department has evaluated, planned, and oversaw the implementation of the new A/V system installed at JK Northway. Other accomplishments are the updated acceptable use and network security policies, upgrade of Incode 10 in the Municipal Court and Collections Departments. Oversaw the implementation of point to point fiber optic connectivity between the Municipal Building and City Hall. Installed publicly available WiFi access at the Brookshire Pool and at the Golf Course. Projects in progress for fiscal year 2017 are network cable and hardware upgrades for the Public Library, installation of security cameras at Kleberg Park Offices and recreation hall, and the city skate park as well as the installation of A/V system at the Brookshire Pool. Williams mentioned projects and initiatives for Fiscal Year 2018 to include enhanced computer refresh and maintenance schedule, improve network security, and continued improvement of city network reliability. The department will continue the deployment of VoIP phone system at city sites. Implement

Mr. Garza commented that the reason for trying to get all city offices on the VoIP system is that we want to get to a point where we have the infrastructure to have a 311 system. This will make it easier for our citizens to call and an automatic voice will give them instructions on how to reach the department they wish to reach. Garza further commented that the goal is to modernize and improve customer service.

Mr. Williams further stated that the big project is the implementation of Accela software for Planning and Development Department. Design and implement new network infrastructure as part of Municipal Building renovation.

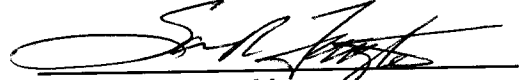
Commissioner Garcia asked Mr. Williams how his department was handling encryption for data. Mr. Garza responded that conversation about IT/Network Security can take place in Executive Session as we don't want information related to how we secure the city's network discussed in a public manner. Commissioner Garcia responded that he was only curious.

Mr. Williams commented that everything is encrypted on the server and anything third party such as Incode carries its own encryption after that.

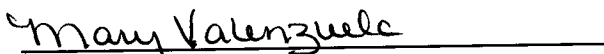
Mayor Fugate thanked staff that presented their part of the budget. Staff did an outstanding job providing information to the City Commission.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:20 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, City Secretary