

FEBRUARY 18, 2020

A SPECIAL JOINT MEETING WITH THE CITY OF KINGSVILLE CITY COMMISSION AND KLEBERG COUNTY COMMISSIONER'S COURT WAS HELD ON TUESDAY, FEBRUARY 18, 2020 AT THE RECREATION HALL LOCATED AT DICK KLEBERG PARK, 501 EAST ESCONDIDO, KINGSVILLE, TEXAS AT 5:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Edna Lopez, Commissioner
Hector Hinojosa, Commissioner
Dianne Leubert, Commissioner
Arturo Pecos, Commissioner (Arrives at 5:10 p.m.)

CITY STAFF PRESENT:

Mark McLaughlin, City Manager
Mary Valenzuela, City Secretary
Kyle Benson, IT Manager
Deborah Balli, Finance Director
Derek William, IT Department
Susan Ivy, Parks & Recreation Director
Emilio Garcia, Health Director
Bill Donnell, Public Works Director
Cynthia Martin, Downtown Manager
Charlie Sosa, Purchasing Manager
Courtney Alvarez, City Attorney
Ron Lee, Interim Fire Chief
Diana Gonzales, HR Director
Janine Reyes, Tourism Director
Robert Rodriguez, Library Director
Ricardo Torres, Police Chief
Ruthie Valdez, Library
Jennifer Bernal, Parks Manager
Vincent Murray, Police Officer
Uchekukwu Echeozo, Director of Planning & Development Services
Alicia Tijerina, Administrative Assistant
Manny Salazar, EDC Director

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting at 5:00 p.m. with four Commission members present. Commissioner Pecos arriving at 5:10 p.m. All 5 County Commissioners' were present for this meeting.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

The invocation was delivered by Sam Fugate, Mayor, followed by the Pledge of Allegiance and the Texas Pledge.

II. Public Comment on Agenda Items.³

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

No public comments made.

III.

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being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon.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 Lopez to approve the consent agenda as presented, seconded by Commissioner Leubert. The motion was passed and approved by the following vote: Lopez, Hinojosa, Leubert, Fugate voting "FOR".

1. **Motion to approve final passage of an ordinance amending the zoning ordinance by granting a special use permit for climate-controlled self-storage in C2 (Retail District) at 200 E. Kenedy Block, Kingsville Texas, also known as Orig. Town, Block 68, Lot 1-13. (Interim Director of Planning & Development Services).**

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

IV. Items for consideration by Commissioners.⁴

2. **Discussion on City-County Interlocal Agreements, County's EDA grant for an emergency response and training center, and any other projects that involve both the City and the County. (City Manager).**

The discussion was done by summary and verbatim, as some information was picked up by the audio and other times it was not.

Kleberg County Judge Rudy Madrid began the discussion and stated that Kleberg County had gone out for a \$6 million-dollar grant for the JK Northway. He further discussed the steps for the submittal of an EDA Grant. The grant was awarded for a lesser amount than what was applied for, \$4.3 million dollars with \$600,000 cash match. Madrid further stated that after the pre-application phase, he was at an EDC meeting with Mayor Fugate and previous City Manager, Jesús Garza. During that meeting the City Manager made a presentation on the projected funds and the plans for the JK Northway. Madrid further stated that on this day, he asked City Manager Garza how realistic is this project and what is the timeline on this project? Madrid stated that Garza mentioned that it would probably be a 10-year plan. Madrid stated that he had some concerns with this as within 10 years, the City of Kingsville will probably be going through several City Manager's and elected officials and maybe the priorities will change. He further stated that on that day he called the Mayor and City Manager and asked to meet with him. Madrid stated that during this meeting he stated to the Mayor and City Manager that he was in the middle of a pre-application phase which was just submitted. He stated that he mentioned to the Mayor and City Manager that he could file an amendment to his pre-application phase showing the facility being built up to a skeet range maybe there is an opportunity to use that funding source and tackle two birds with one stone. He stated that the JK Northway could be restored and in the city's plans it already included meeting rooms. He stated that he could utilize the city's plans for this project, which would be no different than his FEMA Domes. He further stated that the JK Northway would be a multi-complex coliseum for all given purposes that it does today. With the new aspects, it will include the meeting rooms that can be utilized for a regional training facility. In the event of an impending natural disaster hurricane hits the Gulf of Mexico, it could be turned into an Emergency Operation Center. This would better prepare Kleberg County and the City of Kingsville for natural disasters. Madrid also stated that they went on a huge mission which involved 14 surrounding counties. He stated that he has spoken to their County Judges, Commissioners, and Fire Chiefs and stated that he would like to call this a Regional Training Facility and a Regional Emergency Operation Center. He stated that what he learned is that if you have a hurricane coming and you must get all the senior citizens in a safe place as well as the indigent and less fortunate citizens into shelters and must do sandbags to protect properties. He stated that after all this is done, you sit and wait for the hurricane to hit then you wait for the Calvary to arrive. He further stated that what he learned is that there is no such thing as a Calvary, it is what you make of it. He stated that with this said, when he went to speak in front of Austin on this deal, he said that he stated that not only does he want to create a Calvary for Kleberg County so that they can hold their own so that they are not relying on State and Federal assistance. He also stated that he wants to create a staging area where all emergency personnel can report to after the disaster occurs. He further stated that not only will he be creating a Calvary for Kleberg County; it will also be created for the 14 regional counties that are in on this. He also stated that this will also benefit all law enforcement and fire personnel, not only in Kleberg County but all within the region a place to get their required training, which training is only provided in College Station, Austin or down in the Valley. Madrid stated that this was the message they sent to them. He also stated that he was very reluctant on filing an amendment as they had just sent it and he didn't want them to think that we were second guessing ourselves as so much work had already gone into it. He stated that he had to justify his change and the way he was able to justify that change was by stating that after further review we have a facility in Kleberg County and the City of Kingsville and have an arrangement made with TXDOT where they are going to be building a large overpass and bring feeder roads and what a better location than having the new I-69 route and have a grand opening for the JK Northway Facility from I-69 so that you can easily accommodate all the heavy equipment coming in. He stated that there will be a staging area and a FEMA helo pad with state-of-the-art equipment inside the JK Northway. He also stated that they called him asking for proof of the TXDOT is on board with this. He stated that he thought this had already been done as in the previous City Manager's plan it showed that, the entrance from I-69. Madrid stated that he called TXDOT and asked for verification on this as EDA was asking for this information. He stated that TXDOT stated to

him that this was mentioned but they never went into detail on any of this. Madrid stated that he responded back telling TXDOT that he had until 5:00 p.m. to show the EDA proof that the city is willing to do this. Madrid stated that he will be working with the EDA and the city in the future. Madrid further stated that he had a conversation with the previous city manager regarding the tax venue, which was a great idea. He stated that it was a great idea as the EDA money will start coming in where it can be used for the aesthetics of the building which would be phase 1. Phase 2 will be where the Eco-Tourism comes in where they will need bleachers, rodeo arenas for livestock shows, which will fall under the venue tax. He stated that the venue tax has the same conditions as the EDA Grant which the venue tax can't any of the EDA stuff as it is a different project which can have all the Eco-Tourism which puts heads in beds. Judge Madrid further stated that Mayor Fugate and himself have consulted with several members from the community who have shown an interest in possible contributing or sponsoring this project. He also stated that once phase 2 is in play, it is his and Mayor Fugate decision to create and oversight committee, which most of these members have already been identified. Madrid commented that when phase 2 comes along, it was his idea that separate set of architects, as these are special sets of architects, and after meeting with certain family members that really know about rodeos, it has specific ways that this would need to be built. He stated that we will need these architects to come in then he will move forward on the phase for the oversight committee. Architects and engineers will come in, which will be going off the City's conceptual model, as it has already been paid for, but will probably have some tweaks if necessary. Madrid stated that they will get a price tag for this project then it will be going to the oversight professional committee and see what it is that they can contribute to the project. Whatever this contribution is and the balance leftover, now you have a project. He stated that whatever you spend your venue tax you have to have an ear tag project. He also stated that it will show how much money will go into it and what is left, then the City can secure a loan against the venue tax to support that project, after the contributions are made. Madrid stated that this is all the idea and the planning and the only thing that has been done since conception is that the County went out pre-application phase, application phase, and the County was awarded the award, although it was reduced, but not by much. He also stated that the County came to the City for match on the match money. They asked the City to do a split with the county if the county was to be awarded the \$6 million dollars. The County had to show that they could come up with \$600,000, which was asked by the city, and the city graciously approved. Madrid stated that they slowed down a bit during the holidays and slowed down even more as they wanted to get the City Manager onboard. Now that the City has its City Manager, it is the time to sit down and get to working on the phase for this project. Judge Madrid stated that this timeline shows all the pre-construction, engineering, architect that goes into this project, which the City will have 100% say in that.

A timeline for the project was created by the County, which a copy was provided to the City Commission only.

Judge Madrid stated that he has identified some city staff that would be essential to this project, but the city can add any other staff it deems too. He further stated that these individuals would be the City Manager, City Attorney, Mayor, and Tourism Director.

Mayor Fugate commented that this committee will consist of those members that did the master plan a couple of years ago. He also stated that the schematics that the Judge eluded to is what came out of that plan. He further stated that this is a good idea.

Commissioner Hinojosa commented that he is interested in being part of the oversight committee and would like to be considered.

Judge Madrid commented that on behalf and himself and the County Commissioner's, they don't have a vested interest on the design of this at all. He stated that the only request he has, which have the City Manager and Mayor on board is that the regional training facility would be self-contained as far as utilities.

Mayor Fugate stated that on behalf of the City Commission they would like to thank the County Commissioner's for this great opportunity. When the City had the masterplan developed a couple of year ago, he thought it was a great idea but wondered where the money would be coming from. What was estimated for this project at time of the plan was about \$15 million dollars. He further stated that this is going to be a partnership with the County and it is incumbent that the County let the City know what is going on and it is important to get into some type of routine where there is weekly reports about what is transpiring. Fugate further stated that it is important that the City Manager is kept up to date on what the County is working on for this project.

Judge Madrid commented that with regards to the regional training facility, he has had multiple discussion with Dr. Hussey, Texas A&M University-Kingsville where they have voiced their strong desire academic accrediting body for this facility. They couldn't move forward with this idea as they had not received the award, but now that the award has been

made negotiations can begin. He further stated that he recently came across a \$350,000 grant opportunity. Part of this caveat was that they wanted an EDC component to the JK Northway. He stated that with this component, they would build a satellite office for EDC, so that in times of pending natural disaster you can have local businesses that come and if they need a disaster management plan designed to tailored their needs, we will have that there for them. He further stated that there must be an EDC component to this EDA Grant. Judge Madrid commented that if he is not mistaken, Kleberg County may be the only entity to have applied for this grant. He also commented that from this point forward, the City will know everything that will go on.

Mayor Fugate asked City Attorney, Courtney Alvarez if she had any comments or statements, from a legal standpoint, that she would like to make at this time.

Mrs. Courtney Alvarez, City Attorney stated that on thing that had been known to the City Commission and has also been made known to the County Judge is that currently we're in year 5 of what is roughly a 40-year management agreement. So, the City has control and authority over all the parks within the jurisdictional limits of the City of Kingsville, which would include the JK Northway as part of Dick Kleberg Park. Alvarez further stated that absolutely nothing can physically occur in of those parks without the City of Kingsville, as a body i.e. the City Commission approving some form of amendment to that interlocal agreement.

Mayor Fugate commented that this is a good point as now, if we get the building renovated then talks will need to start on how to operate it. This should change the original interlocal agreement.

Mrs. Alvarez commented that this is correct, but not a bit of grass can be cut, or an inch of dirt moved without the City first doing an amendment to even allow for anything to occur with anybody they currently hired to work on the grant. She further stated that Mayor Fugate was correct as there is a lot of detail that would need to go into to probably some kind of secondary interlocal with regards to the operations of the JK Northway, but having no information on what the site or the design plan is or how its suppose to function or operate is kind of hard to know in looking at the grant award. There was \$100,000 itemized budget that was approved for demolition and removal, so its unknown to the City if the whole building is supposed to be demolished and removed, as there is no information.

Mayor Fugate commented that he understands and commented to Judge Madrid that the City and County will need to work on the interlocal agreement.

Judge Madrid commented that he has Ms. Roxann Pais Cotroneo, who was approved by the County Commissioners' to represent the County. He further stated that he and the City Manager have met a couple of times and both agreed that they needed to start, not only the JK Northway Interlocal but also the animal shelter and public library interlocal agreements as well.

Mayor Fugate commented that it is best to work on one at a time.

Judge Madrid stated that the reason he brought Ms. Controneo to this meeting is to introduce her to City Attorney, Courtney Alvarez and County Attorney, Kira Sanchez as they will be working on this agreement.

Ms. Roxann Pais Controneo commented that she has been a City Attorney for various cities across the State of Texas for about 24 years. She further commented that she looks forward to working with the County and the City of Kingsville's City Attorney.

Mayor Fugate commented that this is something that has been discussed for some time and both entities will need to work on the interlocal agreements. Fugate further asked if Mrs. Alvarez had any other comments.

Mrs. Alvarez stated that there are other items, but it can be deferred until later.

Commissioner Hinojosa commented that all he would like to know is who will be in control? He understands that this is going to be a partnership and the County needs to let the City know what they are doing as the City needs to let the County know what the City is doing.

Mayor Fugate commented that he would encourage both parties to develop some type of communication, either to meet once a week or meet when it is convenient for both parties.

Commissioner Leubert commented that having this joint meeting today is a great step moving forward as no one would want this opportunity to pass us by.

Judge Madrid commented that this is a great opportunity for the community as a lot of hard work has gone into this. He further commented that both entities working together, there is

nothing that both entities cannot accomplish together. He further stated that the County is not here to take the City's authority away, they are doing it for the community.

Mrs. Alvarez commented that as for a point of clarification we are talking about the venue tax portion based on the venue tax that the voters approved, the voters of the city approved in May 2019. She further stated that with regards to this, the Interim City Manager Deborah Balli, this summer and the Financial Advisor and Bond Counsel and herself met and also had a phone conference where it was made very clear that any proposed project for the venue tax would have to be separate and apart from anything having to do with the EDA Grant. If the EDA Grant which the city doesn't know what it will be doing inside the JK Northway, then any project for the venue tax monies would have to be done outside of the JK Northway, totally separate and apart not comingled in anyway

Commissioner Hinojosa asked who will be keeping track of all this? Mayor Fugate responded that the City Manager and County Judge will be keeping track.

Judge Madrid commented that the County Auditor will also be working hand in hand with the City Manager. He further stated that they will come up with a constructive clear plan going forward.

Mayor Fugate commented to Judge Madrid that City staff is available anytime. He further stated that one thing he would suggest is to hire a construction manager. He further commented that he and the County Judge need to start working on private monies. Fugate further commented to City Manager McLaughlin that the venue tax needs to be implemented soon.

Mrs. Alvarez commented that until the city understands the scope of what County plans to do once the City gives them the ok to do it, then that will put the onus on the City to determine what project outside of what would be done with the JK Northway that the City could do in that vicinity, that could be used to support a venue tax funding. She further commented that you can't really get the venue tax off the ground until you identify a project, if you can't identify a project until the City knows what the County's project is going to be.

Commissioner Leubert asked if with the venue tax, can it be used for the livestock arena area separate from all the other things.

Mrs. Alvarez responded that her recollection on her conversations with Bond Counsel and the Financial Advisor is that it would be a project separate and apart from the JK Northway. If authority was given for renovations to be done at the JK, then the City might work on an outside barn or an outside rodeo venue.

Mr. McLaughlin commented that he can draft a plan of action and milestones. As we are dealing with two governmental agencies that will have deep roots in many different pockets and the only way to grasp all the task that must get done and put on paper where it gets broken down by months. McLaughlin further stated that City staff will also be working with Mr. Jorge, County Architect on this project.

Commissioner Leubert asked if this was a reimbursement grant? Judge Madrid responded that it was. He further stated that the last task from EDA was for the County to provide a separate non-interest draw-in account that had ACH capability for them. Judge Madrid continued to state that the County would be putting their match money into the account and ask for the City to do the same.

Mr. McLaughlin asked the City's Finance Director of the City already had a fund for this.

Mrs. Alvarez responded that the City has a fund, but it is her understanding that the City would be retaining its money in its fund until the City sees the invoices requesting the reimbursements.

A comment was made Ms. Petra Reyna that was not picked up on the audio as Reyna was speaking from her seat.

At this time Judge Madrid introduced Mr. Jorge and Ms. Petra Reyna.

Commissioner Hinojosa commented that if he understood correctly, the \$1.2 million dollars, the money would have to be spent first or will it be on a prorated basis based on....

An individual unnamed stated that the match is used first and once they start construction then the draw down is used. This is the first step.

Judge Madrid introduced Mr. Ray De Los Santos who is on retainer for the County. Mr. De Los Santos provides professional management services. Madrid stated that Mr. De Los Santos is working on several projects that are going on at this time. Madrid further stated the

gentleman also does professional oversight on all their transactions, as well as his team. Madrid stated that Mr. De Los Santos has a good track record when it comes to city government. He further commented that the County is still on pre-application phase for the Animal Shelter/Health Department as they are combining the loan with the County Airport. He stated that Ms. Judy, Airport Director had a change in design from single hangars to cooperate hangar then going back to single hangars. Until they final design is decided, they cannot submit the loan request as they are submitting the loan request together. Once this is initiated, it will also be included in the updates as well.

Mrs. Alvarez commented that if there are any questions the Commission has about the joint projects, now would be the opportune time to bring them up. The Attorney's can work and meet on things, but generally they will need direction from their clients as to what you want, or your concerns are so that they can try to address some of those.

Commissioner Leubert commented that she would like to see both entities set a date for a second special City/County meeting where both entities can discuss other interlocal agreements that are in place at this time.

The City and County Commissioners have agreed to schedule the next City/County Special Meeting on Tuesday, March 17, 2020 at 5:00 p.m. at the Recreation Hall located inside Dick Kleberg Hall.

Commissioner Leubert commented that both entities will need to choose which interlocal agreements they would like to discuss at the next joint meeting.

Judge Madrid commented that he feels that they will be ready to speak on all the interlocal agreements during the March 17th meeting.

Commissioner Hinojosa commented that he hopes that the City Commission will receive the information days before the meeting verses the day of the meeting. This will give them the opportunity to review the information so that they are prepared to make the right decision, as he will not be making a decision if the information is provided on the same day as the scheduled meeting.

Mrs. Alvarez commented that she doesn't know if there will be draft agreements ready in 3 weeks as she is not aware of what it is that the Commission would like to amend with regards to some of those agreements.

Mayor Fugate commented to Mrs. Alvarez that he suspects that she will be receiving directions on the 17th.

Mrs. Alvarez commented that now that everyone has copies of the same sets of documents, for the interlocal agreements that were mentioned, everyone on both sides will now have the opportunity to review those prior to the upcoming meeting.

Judge Madrid commented that prior to the meeting on March 17th, the City Manager and himself can meet as he has some proposals, interlocal agreement proposals, that they are putting together and will be brought to the Commission on that day for the City's review and consideration. He further stated that he would like for these proposals to be seen by the City Manager and City Attorney before the meeting on the 17th.

Commissioner Hinojosa commented to the City Manager that any proposals that he and Judge Madrid come up with, he would like for the Commission to have enough time to review them and not produce them on the day of the meeting, as he will be voting no.

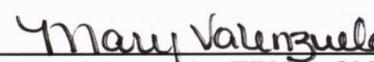
IV. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:00 P.M.



 Sam R. Fugate, Mayor

ATTEST:



 Mary Valenzuela, TRMC, CMC, City Secretary