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MAY 10, 2021

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, MAY 10, 2021 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Hector Hinojosa, Commissioner
Norma N. Alvarez, Commissioner
Edna Lopez, Commissioner
Ann Marie Torres, Commissioner

CITY STAFF PRESENT:

Mark McLaughlin, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Janine Reyes, Tourism Director
Kyle Benson, IT Manager
Derek Williams, IT
Bill Donnell, Public Works Director
Diana Gonzales, Human Resources Director
Susan Ivy, Parks Director
Deborah Balli, Finance Director
David Solis, Risk Manager
Rudy Mora, Engineer
Nicholas Daniels, Building Official
Brenda Joyas, Downtown Manager
Julian Cavazos, Lieutenant

STAFF PRESENT VIA CONFERENCE CALL OR VIDEO STREAM

Emilio Garcia, Health Director
Uchechukwu Echeozo, Director of Planning & Development Services

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting at 5:00 p.m. with all five Commission members present.

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

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

MINUTES OF PREVIOUS MEETING(S)

Regular Meeting - April 26, 2021

Motion made by Commissioner Lopez to approve the minutes of April 26, 2021, as presented, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

****AUDIENCE AND PRESENTER SOCIAL DISTANCING AND PUBLIC TESTIMONY AND PUBLIC HEARING INPUT AT PUBLIC MEETINGS OF THE CITY COMMISSION.**

To reduce the chance of COVID-19 transmission, public meetings will be held in a manner intended to separate, to the maximum practical extent, audience and presenters from personal contact with members of the Community, City Staff, and City Commission. Public testimony and public hearing input for Public Comment and all items on the agenda at public meetings of the City Commission shall be provided in written format and presented to the City Secretary and/or designee prior to the start of each meeting of the City Commission. This testimony and/or public input shall be in accordance with the City Secretary's instructions, which shall be posted on the City Secretary's outdoor public bulletin board at City Hall and on the City website and allow for electronic submission. The written public testimony shall be provided to members of the City Commission prior to voting on measures for that meeting. Written testimony shall be limited in accordance with the City Secretary requirements and shall be placed into the record of each meeting. This written testimony shall serve as the required public testimony pursuant to Texas Government Code section 551.007 and shall constitute a public hearing for purposes of any public hearing requirement under law. The meeting may be held telephonically or via videoconference; and, if so conducted, the public may participate remotely by following the instructions of the City Secretary which would be posted on the City Secretary's outdoor public bulletin at City Hall and on the City website.

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

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, Condemnation Update, 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; Landfill Update, Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Emergency Management, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Health Department, Hotel Occupancy Report, Quiet Zone, SEP, Legislative Update, Proclamations, Employee Recognition, Health Plan Update, Tax Increment Zone Presentation, Main Street Downtown, Chapter 59 project, Financial Advisor, Wastewater Treatment Plant, Water, And Wastewater Rate Study Presentation, Golf Course, Library Summer Programs, Grants Update. No formal action can be taken on these items at this time."*

Mr. Mark McLaughlin, City Manager reported that the American Recovery Plan Guidelines have already been published as an interim final document. He further stated that the plan has a lot of detail and he is looking to see how the City would receive its funds. The details states that the funds will be going to the State then forwarded to cities. Mr. McLaughlin further announced that Mr. Steve Palacios, EMT will be the city's new Fire Marshall. Mr. Palacios has passed all the tests and has gone through screening for the position. Mr. Palacios will take his position as Fire Marshall on May 11, 2021. Mr. McLaughlin gave an update on the streets as requested by Mayor Fugate. A handout was prepared and passed out to the Commission on street updates.

Ms. Courtney Alvarez, City Attorney reported that the next City Commission meeting is scheduled for May 24, 2021. The deadline for staff to submit agenda items is Friday, May 14, 2021.

Commissioner Hinojosa commented that he received complaints from local vendors about sponsorships for Loteria Festival. He asked if staff reached out to the local vendors for any sponsorships for this event.

Ms. Janine Reyes responded that she did hear that one downtown merchant was upset about downtown merchants not being asked to sponsor, but it is difficult to ask the same merchants for sponsorships for all events that occur in the downtown area. She further stated that the purpose for this event was to get businesses to sponsor and bring an economic impact downtown. She further stated that anyone is welcome to come forth and be a sponsor, if they choose too. She further explained the levels of sponsorships for all the different events held in Kingsville.

Commissioner Lopez read and presented a proclamation for Professional Municipal Clerks Week.

Mayor Fugate read and presented two proclamations, Public Works Service Week and Motorcycle Safety Awareness Month.

IV. Public Comment on Agenda Items.³

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

No public comments were made or received.

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 Lopez to approve the consent agenda as presented, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa, Fugate voting "FOR".

1. **Motion to approve final passage of an ordinance amending the zoning ordinance by granting a Special Use Permit for general business use in I1 (Light Industrial District) at 1400 E. Corral (El Campo Process Plant), Kingsville, Texas, also known as Corral, Block 3, Lots 10-13. (Director of Planning & Development Services).**
2. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to accept and expend donations from the Youth Pony League Sponsors for uniforms. (Parks Director).**
3. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to accept and expend donations for ball field scoreboard sponsorships. (Parks Director).**
4. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to purchase wearable safety lights for the Police Department. (Police Chief).**
5. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to cover additional costs of Liberator IV headsets not covered by grant funding for the Police Department. (Police Chief).**
6. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to cover hazard pay for the period of October 2020 through December 2020. (Finance Director).**
7. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to transfer existing capital outlay items budget which was budgeted as a capital lease to Fund 115-Tax Notes Series 2021 and to cover overage on police vehicles purchase and tax note issuance costs. (Finance Director).**
8. **Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to transfer existing capital outlay items payment budget to Debt Service Fund to cover the Tax Note Series 2021 payment. (Finance Director).**

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

Mayor Fugate commented that if there were no objections from the Commission, he would like to move agenda item #24 before item #9. No objections were made.

9. **Consider appointing Orlando Moya to the Zoning Board of Adjustment for a two-year term. (Director of Planning & Development Services).**

Motion made by Commissioner Lopez to approve the appointment of Orlando Moya to the Zoning Board of Adjustment for a two-year term, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Lopez, Torres, Hinojosa, Alvarez, Fugate voting "FOR".

10. **Consider appointing Larry Garcia, Wayne Grant, and Karie Kriegel to the Planning & Zoning Commission each for a two-year term. (Director of Planning & Development Services).**

Motion made by Commissioner Lopez and Commissioner Torres to approve the appointments of Larry Garcia, Wayne Grant, and Karie Kriegel to the Planning & Zoning Commission each for a two-year term, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

11. **Consider appointing Lesley Estes as the downtown merchant representative and David Thibodeaux as the Kingsville resident representative to the Main Street Advisory Board each for a two-year term. (Downtown Manager).**

Motion made by Commissioner Lopez to approve the appointments of Lesley Estes as the downtown merchant representative and David Thibodeaux as the Kingsville resident representative to the Main Street Advisory Board each for a two-year term, seconded by Commissioner Alvarez.

Commissioner Torres commented that Mr. Thibodeaux will be appointed to two different Boards for the City, Main Street and Historical Board, and asked if this would cause a conflict between both Boards?

Mrs. Brenda Joyas, Downtown Manager responded that there is no conflict as both Boards do not coincide with each other.

Torres further asked how staff is reaching out to the public in letting them know that these positions are available.

Mrs. Brenda Joyas, Downtown Manager responded that for her Board(s) she has used the newspaper and social media to notice the citizens of the positions opened within the different Boards. She further stated that she did have several individuals that were interested in serving but were not eligible as they were not a resident of the City of Kingsville, which is a requirement.

Commissioner Lopez commented that the appointees being considered tonight are new members and have never served on any city boards.

Mr. Wayne Grant, appointee to the Planning & Zoning Commission commented that for transparency purposes and after hearing the residency requirement, he would like for the Commission to know that he is not resident of the city but has several businesses within the city.

Mayor Fugate commented that he does not believe this is a requirement for the Board Mr. Grant was just appointed to.

The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

12. Consider appointing David Thibodeaux and Lucia G. Perez to the Historical Development Board each for a three-year term. (Downtown Manager).

Motion made by Commissioner Lopez to approve the appointments of David Thibodeaux and Lucia G. Perez to the Historical Development Board each for a three-year term, seconded by Commissioner Hinojosa and Commissioner Torres. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa, Fugate voting "FOR".

13. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover the rolled over City Hall Irrigation Project. (Finance Director).

Mrs. Deborah Balli, Finance Director stated that the City completed the irrigation project for City Hall and the project crossed fiscal years requiring a budget amendment to appropriated funds to FY 20-21.

Introduction item only.

14. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover incentive agreement payments for Starbucks and Marshalls. (Finance Director).

Mrs. Balli stated that the fiscal year 19-20 budget was \$52,980 and actual payments came in at \$71,220.75 making a budget amendment of \$18,240.75 necessary. Balli further stated that staff did not have any information from them as to what the expectations were. For the three incentive agreements staff budgeted \$52,000 and with Starbuck's incentive agreement changing where the city was going to do ad valorem incentives, but they changed to sales tax incentive making them meet their incentive sooner than what staff had planned.

Commissioner Hinojosa asked if these are the only payments the city will be making?

Mrs. Balli responded that one last check would need to be done as Starbucks and Marshall's do not provide the city with the information, the city must find the information using Exact Tax Software.

Ms. Alvarez commented that the Chick-fil-A incentive will kick in and will need to be paid on quarterly payments so there may be one that would need to be added for this fiscal year.

Commissioner Hinojosa asked if Marshall's and Starbucks were quarterly payments. Mrs. Balli responded that Marshall's is paid yearly.

Introduction item only.

15. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover CARES Act expenditures for FY20-21. (Finance Director).

Mrs. Balli stated that the CARES Act funding covered eligible expenditures through December 2020 up to the City's allotment. This budget amendment covers the expenditures which are eligible expenditures for the funding.

Introduction item only.

16. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover FEMA Winter Storm Event grant expenditures submitted for reimbursement. (Finance Director).

Mrs. Balli stated that the city received notification that it could submit expenditures for reimbursement that occurred during the winter storm event. During the eligible period, the City incurred \$15,808.02 of eligible expenditures. Receiving reimbursement for eligible expenditures will save on the regular budget as the expenditures were necessary.

Introduction item only.

17. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover additional audit services costs. (Finance Director).

Mrs. Balli stated that the FY 19-20 audit has been completed and additional hours were necessary due to the complexity of the bond refunding and the Single Audit that was required due to the CARES Act funding. The additional hours resulted in an increased cost of \$15,000 that was unforeseen when the budget was adopted. The current budget for the Finance Administration division cannot absorb the additional \$15,000 cost. Funding for this budget amendment will come from the unappropriated fund balance for the general fund.

Introduction item only.

18. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to replace the Engineering Services salary budget which was budgeted for in-kind engineering services in the Safe Routes to School Grant. (Finance Director).

Mrs. Balli stated that Engineering is not able to provide in-kind services on this grant at this time as we were awarded 100%, which not requires the reduced budgeted amount to be returned to the Engineering budget to cover regular salaries.

Introduction item only.

19. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to accept and expend donation from NuStar Energy for equipment maintenance and supplies. (correcting fund used). (Finance Director).

Mrs. Balli stated that this ordinance was previously adopted by the City Commission which had the wrong fund in the body of the ordinance. It stated it was to be recorded in Fund 017 and should have read Fund 001. The submittal is only to correct the fund number.

Introduction item only.

20. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover additional overtime for the Police Department. (Police Chief).

Mr. Julian Cavazos, KPD Lieutenant stated that his department over the last two years has had an unexpected turnover in personnel in their sworn officer positions as well as licensed telecommunicator positions. This has caused major shortages in manning the different divisions of the department creating overtime. It is being requested that the budget amendment to cover overtime costs for the remaining fiscal year be approved.

Introduction item only.

21. Consider a resolution authorizing the City to submit an application to the Ed Rachal Foundation for grant funds for equipment for the Kingsville Police Department. (Police Chief).

Lieutenant Cavazos stated that this is a request to apply to the Ed Rachal Foundation for equipment.

Introduction item only.

22. Consider a resolution authorizing application to and acceptance of the TCEQ, under the Texas Emissions Reduction Plan, for the Governmental Alternative Fuel Fleet Grant Program. (Police Chief).

Lieutenant. Cavazos stated that this grant allows for the associated cost to replace a Class 1 vehicle for \$15,000 per vehicle. They will be replacing two of their current gasoline-powered endure motorcycles with two Zero Motorcycles outfitted with police equipment. The request is for \$30,000 to cover part of the cost for the vehicles. The cost for two Zero DSRP Motorcycle Base Police Package comes to \$45,270.

Motion made by Commissioner Lopez to approve the resolution authorizing application to and acceptance of the TCEQ, under the Texas Emissions Reduction Plan, for the Governmental Alternative Fuel Fleet Grant Program, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

23. Consider awarding RFP#21-06 for 2021 Downtown Improvements-7th Street for TxCDBG Contract #7219192 as per staff recommendation, and approving a resolution authorizing the City Manager to enter into a Construction Contract for 2021 Downtown Improvements-7th Street between the City and Etech Construction, Inc. (RFP#21-06) (TxCDBG #7219192) (City Engineer).

Mr. Rudy Mora, City Engineer stated that on March 9, 2021, the City received 3 bids which were publicly opened for the 2021 Downtown Improvements 7th Street TXCDBG 7219192. Bids received were from Etech Construction, Inc. from San Antonio, Diamond X Contracting from Johnson City, TX, and DMB Construction, LLC, from Corpus Christi, TX. The total bids ranged from \$296,892.25 to \$1,054,812.70. the project successfully bid under the grant construction amount of \$350,000. In-kind services are provided in-house by the Engineering Department for \$36,000. The cash match is \$34,000 used to pay for grant administration. The total of other funds is \$70,000. The total funds for the project are \$420,000. Mr. Mora stated that staff recommends the following, award of the bid BID#21-06 for 2021 Downtown Improvements - 7th Street TXCDBG 7219192 to Etech Construction, Inc., for \$326,164.25 for the base bid plus alternate no. 1 & 2; and approval of a resolution giving the City Manager the authority to sign the Standard Form Agreement between the City and Etech Construction, Inc.

Ms. Alvarez commented that if the Commission decides to move forward on this item and since the bids are good for sixty days and were coming up on the timeline, the motion would be, "move to award RFP#21-06 for 2021 Downtown Improvements-7th Street for TxCDBG Contract #7219192 as per staff recommendation, and approving a resolution authorizing the City Manager to enter into a Construction Contract for 2021 Downtown Improvements-7th Street between the City and Etech Construction, Inc. (RFP#21-06) (TxCDBG #7219192) contingent upon receiving acceptance or approval from the Texas Department of Agriculture for the modification".

Motion made by Commissioner Lopez to approve the award RFP#21-06 for 2021 Downtown Improvements-7th Street for TxCDBG Contract #7219192 as per staff recommendation, and approving a resolution authorizing the City Manager to enter into a Construction Contract for 2021 Downtown Improvements-7th Street between the City and Etech Construction, Inc. (RFP#21-06) (TxCDBG #7219192) contingent upon receiving acceptance or approval from the Texas Department of Agriculture for the modification, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

24. Consideration and approval of a resolution authorizing publication of Notice of Intention to Issue Certificates of Obligation. (City Manager/City Attorney).

Agenda item #24 was discussed and considered before agenda item #9.

Mr. Don Gonzales, Financial Advisor from Estrada Hinojosa stated that they have completed the Tax Note issuance which was authorized at a previous City Commission meeting. He further stated that they were able to get a better interest rate at 1.25% as opposed to the 1.35% that was initially proposed by the purchaser of those bonds. He further stated that the next item would be the refunding which be pricing that on May 11, 2021.

Mr. Matt Lujan with Estrada Hinojosa presented on the Notice of Intent which comes with a \$2.6 million grant. Mr. Lujan stated that the net present value savings are \$143,000, which is a 3.902% savings of refunded bonds. Mr. Lujan commented on the savings of May 2021. He stated that in present value savings there is a savings of \$257,000, which equates to 7% net present value savings, for a little over 3% increase in savings from February 2021 to what they will be looking at on May 11, 2021. Lujan further stated that the refunding that will be taking place tomorrow will replace the Certificates of Obligation 2013 which is about 82% self-supported from the Utility System. The Certificates of Obligations from the Texas Water Development Board, which is the Notice of Intent that is up for approval tonight, will be supported by the

City's drainage fee. He further discussed the preliminary timetable of events with tomorrow, May 11th pricing bonds and expected to close on June 10, 2021.

Commissioner Hinojosa asked when the city could start collecting the venue tax? Mr. Lujan responded that this not part of the presentation. This is only for the refunding of 2013 CO's and for the Texas Water Development Board, which is a new program, the flood infrastructure fund which is where the city gets its grants from the Texas Water Development Board.

Mr. Don Gonzales responded to Commissioner Hinojosa's question by stating that the city is not taking any action to start collecting those revenues. Until the city has the project identified the city would need to negotiate price and terms with the County and once that is in place then the city can implement the collection of the venue tax.

Mr. Lujan continued with his presentation on the Certificates of Obligation to which staff is seeking approval for the notice of intent. The total project is \$6.2 million with a \$2,666,000 grant and \$3.4 million in CO's which is what the notice of intent includes. Loans are 0% interest over 30 years and will be considered taxable. Mr. Lujan stated that between the three issuances that the City has this year, tax notes, refunding, and certificates of obligations if the Commission approves the notice of intent tonight, it will have a net-zero impact on the I&S calculated tax rate.

Motion made by Commissioner Hinojosa to approve a resolution authorizing publication of Notice of Intention to Issue Certificates of Obligation, seconded by Commissioner Lopez.

Mayor Fugate asked City Attorney Alvarez if there is any special language that must be used for this item. Ms. Alvarez responded no.

The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa, Fugate voting "FOR".

25. Discussion on Commission meeting format. (City Manager).

Mr. McLaughlin stated that this was a request by Mayor Fugate to talk about the City Commission meeting layout and opening the building to citizens to attend in person. Those that have special presentations have been allowed to come in person but have not opened to the public yet.

Mayor Fugate commented that there is a concern about where the City Manager and City Attorney are located during the meetings. Fugate further commented that maybe if the City Manager and City Attorney can share one table it would make it easier for the Commission to be able to see them.

Ms. Alvarez commented that the City Commission meetings are opened to the public through virtual means.

Mr. McLaughlin stated that he asked Risk Manager David Solis to check on what is the CDC Guidance, which is hard to locate as the CDC has made so many changes to their guidance. He further stated that school kids are sitting in a classroom three feet apart with no mask and no vaccine, and city staff is still at six feet apart and most of the staff have received the vaccine.

Mayor Fugate asked if staff knew the percentage of citizens in Kingsville that have been vaccinated?

Mr. McLaughlin stated that County Judge thinks that about two-thirds of our citizens have received the vaccine.

Commissioner Alvarez asked if legally, can someone ask another person to show proof that they have been vaccinated?

Commissioner Torres responded no, according to HIPPA Law of 1974, an individual can not ask a medical question, and a vaccine is considered a medical question.

Ms. Alvarez responded that this is correct and while we may not know who in the room presently is or is not vaccinated, we could not ask that question of visitors as we cannot know what they are bringing into our facility.

Mr. McLaughlin commented that in the State of Texas there are 10,000,000 individuals fully vaccinated, and 21,000,000 individuals have one shot of the vaccine.

Mayor Fugate commented that it is his opinion to move the City Manager and the City Attorney up to where everyone can see them and feels that opening the meetings to in-person is a bit too premature.

Commissioner Lopez commented that it is her opinion to leave the Commission seated as is. She further commented that more citizens are watching the meetings virtually than when we were open to in-person. With the Commission seating as they sit now, it allows them to keep their mask off to where they will not sound muffled while speaking. She further stated that she agrees with Mayor Fugate on moving the City Manager and City Attorney to one table and moved to where she and Commissioner Torres can see them when they speak and stated that the City Secretary can get a smaller table.

Commissioner Torres asked for clarification as to if the meetings were open to the public if they physically want to attend a meeting.

Ms. Alvarez responded no.

Commissioner Torres commented that the only meetings that are open to the public are the County Commissioners' Court and KISD School Board meetings.

Ms. Alvarez commented that it is up to each entity to decide how they want to handle their meetings. It does have to be opened to the public in the sense that they can participate before action items are voted on, which our meetings allow for that.

Commissioner Alvarez asked if this going to continue until the Governor changes his executive order.

Ms. Alvarez responded yes. If the Governor was to not extend his executive order that suspends the part about the Open Meetings Act, then everybody would be going back to normal.

Commissioner Lopez commented that everyone needs to understand that we are still in a pandemic, and people are acting as if we are not. She further commented that individuals still need to maintain their distance from each other.

26. Discussion on goal setting and potential projects in preparation of FY21-22 budget. (City Manager).

Mr. McLaughlin commented that one goal he would like in the next fiscal year, he would like to see an increase in the Street Department budget to cover more roads. This would allow the city to catch up on 20 years of not keeping up with the roads. He also stated that he is very aware of the time it takes staff to their work and with an increase in the cost of living he would like to see a Cost of Living Adjustment (COLA) for employees. He would also like to get the non-civil service personnel closer to the police and fire on the longevity pay by an increase of \$1.00 which will be about a \$35,000 increase to the city's budget. A capital improvement projects list is being worked on by staff for the upcoming fiscal year. He further commented that last year there were 151 supplementals and historically only 2 to 3 had been done and last year 77 were done with only 21 left to fund. He also commented that for the next fiscal year, the city needs to build covers the police vehicles to keep them out of the sun. In working with the Engineers, staff is looking at it with the Texas Water Development Board and the grant the city has received for all the sewer work that is needed.

Mayor Fugate asked for the status of the \$35 million grant.

Mr. McLaughlin responded that the city has not received any information as of today.

Commissioner Hinojosa commented that one thing the Commission needs to consider is a bond election. He further asked if the \$5.2 million can be allocated to any other projects. He also commented that the city has already spent a lot of money on the irrigation for the City Hall and would like to see some landscaping done as well.

Mayor Fugate commented that landscaping City Hall is already in the planning stages. He further stated that he has spoken with Mrs. Helen Kleberg Groves on the landscaping of City Hall, and it is also being looked at as getting an Architectural Landscaper to prepare landscaping plans for the five acres where City Hall currently sits. Fugate further commented that this may become a public/private project.

Commissioner Lopez commented that she would like to see a third fire station built on the southside of Kingsville and commented that she would like for staff to see what the needs for both fire and police are.

Mr. McLaughlin commented that ARC money the city will be receiving there are four things the money could be used for, infrastructure which is described as water, sewer, and broadband. He further commented that Mr. Kyle Benson, IT Manager has a plan for broadband which will provide broadband to all city offices but will also allow the city

to become an internet service provider using the city's broadband, so citizens will pay the city as they pay the city for water and sewer. These are options that will be presented to the City Commission at a future meeting. This will also give our community another option for high-speed broadband. He further stated that the guideline for this money also mentions infrastructure for fire and police.

Commissioner Lopez commented that a substation for police may also be needed on the south side of town.

Commissioner Alvarez commented that she would like for staff to look at the health insurance and make sure that the rates are not increased. She further commented that she would also like to see an increase in salaries as the cost of living has increased and will continue to increase.

Mr. McLaughlin commented that the Human Resources Director is looking into different models for an increase in pay for employees. He also commented that as for health care costs to the employee, he would like to see the employee pay 10% with the employer paying the remaining 90% of the premium.

Commissioner Lopez commented that she would like for the prescription plan to be looked at as she has experienced where one individual on a different plan pays less for their prescription and she pays a higher price for the same prescription. She also commented that she agrees with Commissioner Alvarez regarding keeping the cost down for employees when it comes to health insurance. She further commented that most of the time, the city gives the employee an increase then it takes it back by increasing their insurance premiums. Lopez commented that she does not want the city to give the employee a salary increase, just to come back and take it back by increasing the employee's health insurance premiums.

Mr. McLaughlin commented that he also does not agree with giving the employee a salary increase then increasing their health insurance premiums.

Commissioner Hinojosa commented that he agrees with Commission Lopez on her comment regarding prescription cost. He would like for this to be looked into and look into the possibility of going self-insured.

Mr. McLaughlin commented that after learning more about Entrust and how it works, he does not feel that having the city be self-insured would be a good idea as the city would need a staff of 15 to take it on.

Commissioner Torres asked that when staff looks at its turnover rates when an employee does an exit, are they asked why they are choosing to leave the position held with our city. She commented that her concern is the police officers if the city is having to use them in dispatch instead of what they went to school.

Mrs. Diana Gonzales, Human Resources Director responded that when they do their separation paperwork some list why they are leaving, and some do not. She further commented that she has not seen any list that the reason for leaving is due to health insurance.

Mayor Fugate commented that he would like for staff to focus on downtown as there are some concerns from the merchants that need to be addressed. If the city is looking at having a historic downtown, the city will need to increase the façade grant and change the name of the grant.

Commissioner Torres commented that North 14th street is another area that needs to be looked at and worked on. She further commented that you see a huge difference as you travel from the north side of Kingsville towards the south side of Kingsville. She further stated that some of her old neighbors from the area around North 14th street would like to see the Northside of 14th street improved. She also stated that the city would need to find a way to communicate with its citizens and not just think that the gossip line will reach everybody, as it will not. It will reach certain people only and she feels that this is something that needs to be worked on, trying to find a way to be able to reach most of our citizens regarding their input; whether it be a town hall meeting that takes place.

Mayor Fugate commented that the problem with town hall meetings, as previous Commissioner Leubert and Commission Pena tried to do, does not work in our community as citizens don't attend.

Commissioner Torres commented that maybe having a town hall meeting within the citizen's neighborhoods would work. She further commented that this is one of the citizen's concerns that have been commented to her, is the lack of communication from our city. She further commented that we need to look at something to bring into Kingsville that would attract our families. Families want to stay in Kingsville for entertainment. She commented that the Loteria Festival was a huge hit with citizens and visitors that came into our community. She has also heard great things about the City working on the ballparks.

Mr. McLaughlin commented that there may be a way to do a survey and have it open on the city's website where citizens can tell city staff what they want to see within their community and see what type of responses the city receives.

Mayor Fugate commented that the City of Kingsville in the past and through the Parks Department has done a lot of great things such as the Skate Park by Harvey Elementary School. The Skate Park attracts a lot of kids to come out and play in that park. He further commented that he would like to see a Skate Park on the Westside of Kingsville as well. The Water Park placed at Flores Park also attracts a lot of children and their families. Fugate further commented that one thing that Mrs. Groves wants to see is a playground with a water feature located on the property where City Hall currently is located. With all the new ball fields at Dick Kleberg Park and the Dog Park, all good used a lot. Fugate further commented that the new I69 Corridor coming in will be a great economic boost for Kingsville. It will also attract more subdivisions on the south side of the city and county. Fugate further commented that a problem that Kingsville has is its tax base. When you have three largest industries and two being tax-exempt and the other being right outside the county line, it makes it difficult and the reason for our tax rate being so high. He also stated that Kingsville must work to develop more industry and commerce just to help the city with its tax base. Fugate further applauds Mr. McLaughlin for putting in more money in last year's budget for economic development which he feels is needed.

Commissioner Hinojosa commented that maybe EDC can assist in promoting business to the northside of Kingsville which he does not see and feels is market-driven.

Mr. McLaughlin commented that may be able to incentivize within that area of town.

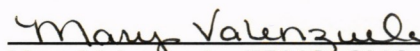
Mayor Fugate commented that when it comes to businesses, it's all about location, location, location.

VI. Adjournment.

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


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, CMC, City Secretary