

SEPTEMBER 7, 2021

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON TUESDAY, SEPTEMBER 7, 2021 IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 P.M.

**CITY COMMISSION PRESENT:**

Hector Hinojosa, Commissioner  
Norma N. Alvarez, Commissioner  
Edna Lopez, Commissioner  
Ann Marie Torres, Commissioner

**CITY COMMISSION ABSENT:**

Sam R. Fugate, Mayor

**CITY STAFF PRESENT:**

Mark McLaughlin, City Manager  
Mary Valenzuela, City Secretary  
Courtney Alvarez, City Attorney  
Derek Williams, IT  
Uchechukwu Echeozo, Director of Planning & Development Services  
Deborah Balli, Finance Director  
Susan Ivy, Parks Director  
Rudy Mora, Engineer  
Ricardo Torres, Police Chief  
David Solis, Risk Manager  
Mike Mora, Capital Improvements Manager  
Emilio Garcia, Health Director

**CITY STAFF PRESENT VIA WEBEX:**

Diana Gonzales, Director of Human Resources

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Pro-Tem Hinojosa opened the meeting at 5:00 p.m. with all four Commission members present. Mayor Fugate was absent from this meeting.

**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)**

**Special Meeting – August 16, 2021**

**Special Meeting – August 17, 2021**

Motion made by Commission Lopez to approve the minutes of August 16<sup>th</sup> and August 17, 2021 as presented, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Fugate voting "FOR".

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

**1. Public Hearing on a proposed tax rate decrease from \$.85208 to \$.84000 for Fiscal Year 2021-2022 with \$.84000 being an increase in the no new revenue rate of \$.80651; the vote on the tax rate will be on September 13, 2021, at 5:00 p.m. in the Helen Kleberg Groves Community Room, City Hall, 400 W. King, Kingsville, Texas. (Finance Director).**

Mayor Pro-Tem Hinojosa read and opened this public hearing at 5:01 P.M.

Mrs. Deborah Balli, Finance Director stated that last year's rate was \$.85208 and proposing a new rate for the upcoming fiscal year of \$.84000.

Mayor Pro-Tem Hinojosa announced that this is a public hearing and if anyone would like to speak on behalf of this item may do so now with a five-minute time limit. Additional time cannot be extended by City Commission.

There being no further comments Mayor Pro-Tem Hinojosa closed this public hearing at 5:03 P.M.

**2. Public Hearing on proposed Fiscal Year 2021-2022 budget. (Finance Director).**

Mayor Pro-Tem Hinojosa read and opened this public hearing at 5:03 P.M.

Mrs. Balli stated that the proposed budget for the fiscal year 2021-2022 is \$103,196,539.96.



Mr. Mark McLaughlin, City Manager commented that as mentioned during the last budget workshop, the adjustment of certification pay added about \$3,000 to the proposed budget.

Mayor Pro-Tem Hinojosa announced that this is a public hearing and if anyone would like to speak on behalf of this item may do so now with a five-minute time limit. Additional time cannot be extended by City Commission.

There being no further comments Mayor Pro-Tem Hinojosa closed this public hearing at 5:05 P.M.

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

*"At this time, the City Commission and Staff will report/update on all committee assignments which may include but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Investment Report, Quarterly Budget Report, Monthly Financial Reports, Utilities Billing Update; Police & Fire Department – Grant Update, Police & Fire Reports; Streets Update; Public Works; Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Emergency Management, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, SEP, Legislative Update, Proclamations, Health Plan Update, Tax Increment Zone Presentation, Main Street Downtown, Chapter 59 project, Financial Advisor, Wastewater Treatment Plant, Water, And Wastewater Rate Study Presentation. No formal action can be taken on these items at this time."*

Commissioner Torres announced the continuance of remembrance for 9/11 with Turcotte Mortuary and Ministerial Alliance of Kingsville will be held on September 11, 2021, at 10:30 a.m. at Turcotte Piper Mortuary. There will also be a proclamation being read at this event in remembrance of 9/11.

Mr. McLaughlin reported that the 3<sup>rd</sup> Quarter Investment Report has been provided to the City Commission. Mr. McLaughlin further reported that the total cash investment is as followed: Kleberg Bank non-investment cash balance for fiscal year 20-21 is \$8,748,486.92; Kleberg Bank Money Market Accounts \$16,883,678.11; Texas Class Investment Bank Accounts \$7,189,373.89; and Certificates of Deposit \$0.00, for a total of \$32,821,538.92 which is an increase from last year of \$26,000,000.00. He stated that it is recommended that no changes occur and just leave the money where it's at, at this time.

Ms. Courtney Alvarez, City Attorney reported that the next City Commission meeting is scheduled for Monday, September 13, 2021. At this meeting, the City Commission will be adopting the City's new tax rate and the fiscal year 2021-2022 budget for the City of Kingsville. She further stated that the meeting after the September 13<sup>th</sup> meeting is scheduled for September 27, 2021 with a deadline for staff to submit their agenda items no later than September 17, 2021.

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

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



1. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to KT&I Co., Block 3, Lot Pt 10, (6 acres), also known as Property ID 37466, on Young Drive, Kingsville Texas from AG (Agricultural District) to R1 (Single-Family Residential District). (Director of Planning & Development Services).

2. Motion to approve final passage of an ordinance amending the zoning ordinance by changing the zoning map in reference to KT&I Co., Block 22, Lot W/2 of the SE/4 of 7, (SYM D), (5.0 acres), also known as property ID 42564, on E. Trant Road, Kingsville, Texas from AG (Agricultural) to R1 (Single-Family Residential). (Director of Planning & Development Services).

3. Motion to approve final passage of an ordinance amending the zoning ordinance by granting a Special Use Permit for Auto Sales, Repairs, including Motorcycles use in C2 (Retail District) at 1916 S. 6<sup>th</sup> St., Kingsville, Texas, also known as Glover Park, Block 3, Lot 16-21. (Director of Planning & Development Services).

4. Motion to approve final passage of an ordinance amending the Fiscal Year 2020-2021 budget to cover additional street maintenance work on West Sage, Corral, and West Santa Gertrudis. (Public Works Director).

## REGULAR AGENDA

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

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

5. Review and discuss proposed fiscal year 2021-2022 budget for departments of the City of Kingsville. (City Manager).

Mr. McLaughlin stated that this item was placed on the agenda if Commission had any changes that would like to make to the proposed budget.

Mayor Pro-Tem Hinojosa commented that staff has presented a good budget and further thanked staff for their hard work.

6. Consider introduction of an ordinance adopting the City Manager's budget, as amended, of the City of Kingsville, Texas, and appropriating funds for the fiscal year beginning October 01, 2021, and ending September 30, 2022, in the particulars hereinafter stated. (Finance Director).

Mrs. Deborah Balli, Finance Director stated that this is an item for the introduction of the proposed budget for fiscal year 21-22. The adoption of the budget will take place at the next scheduled meeting, September 13, 2021.

Introduction item.

7. Consider introduction of an ordinance establishing and adopting the ad valorem tax rate for all taxable property within the City of Kingsville, Texas for fiscal year beginning October 01, 2021 and ending September 30, 2022, distributing the tax levy among the various funds, and providing for a lien on real and personal property to secure the payment of taxes assessed. (Finance Director).

Mrs. Balli stated that the rate that is being proposed for fiscal year 21-22 is \$.84000 which is broken down into two parts, Maintenance & Operations \$.67492, and debt service at \$.16508.

Introduction item.

8. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Water, providing for an increase in water rates. (Finance Director).

Mrs. Balli stated that the rate discussed during the budget workshops was to increase the rate by 1%, which was based on a study done by Grady Reed of HDR.

Mr. McLaughlin stated that the rate increase was deferred a year and should have been done last year but was not done.

Introduction Item.

9. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2, Sewers, providing for an increase in sewer rates. (Finance Director).

Mrs. Balli stated that the rate discussed during the budget workshops was to increase the rate by 7%, which is based on a study done by Grady Reed of HDR.



Mayor Pro-Tem Hinojosa asked why the Naval Air Station-Kingsville rate was not specified in this ordinance as it is in the Water Rate Ordinance?

Mr. McLaughlin responded that in the wastewater rate ordinance there is no specific mention of Naval Air Station-Kingsville for what their wastewater rate is. They pay the normal commercial rate, but the change to add additional wording to this ordinance can be made as this is only an introduction of the wastewater ordinance.

Mayor Pro-Tem responded that he would like the additional wording to include Naval Air Station-Kingsville.

Commissioner Alvarez asked if the percentage would be different from the residential rate to the business rate?

Mr. McLaughlin responded that the rate will be 7% for all accounts.

Introduction item.

**10. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Sections 9-10-53, 55, 56, and 57 to update the fees and calculation method used for the purpose of funding the City Street System. (City Engineer/City Manager).**

Mr. Rudy Mora, City Engineer stated that the purpose of increasing the Street Maintenance Fees is to provide funding for the repair of streets in the city. The value is calculated and assigned according to point ranges set up in 11 tiers and contained in the Point Value Tier Table. To achieve the additional revenue target, the following proposed changes to the Street Maintenance fees are needed; increase the ERU fee from \$5.00 to \$6.00; reduce the Trip Adjustment Percentage from 90% to 85%; and create two new tiers in the Point Value Tier Table and reconfigure the tier values to raise the maximum monthly fees for the top three tiers from \$150 to \$150, \$250, and \$500. The recommended changes will increase the yearly Street Maintenance Fee revenues from the current estimated \$820,779.00 to \$1,064,134.80, providing approximately \$243,355.80 of additional revenues.

Mayor Pro-Tem Hinojosa commented that this is a complicated formula, but it is good that it is being adjusted fairly.

Mr. Mora further stated that it is staff's recommendation to increase the Equivalent Residential Unit fee from \$5.00 to \$6.00; reduce the Trip Adjustment Percentage from 90% to 85%; create two new tiers in the Point Value Tier Table and reconfigure the tier values to raise the maximum monthly fees for the top three tiers from \$150, to \$150, \$250, and \$500.

Mr. McLaughlin stated that the normal collection on the current fee is about \$802,000 per year. He also stated that the current IMS study states that if the city wants to hold its current pavement condition index, we will need to be investing about \$4.5 million into the streets annually. Mr. McLaughlin further stated that the rate study is targeting some of the inequalities in it.

Commissioner Torres asked how many businesses will be affected by this change? Mr. Mora responded that 26 businesses will be affected. Commissioner Torres further asked if the businesses will be notified if this is approved?

Mr. McLaughlin responded no; notification is not required it is up to the Commission to decide on the increase and this is a subject that has been discussed in the past and has been published in the newspaper and on the agenda. He also stated that this will not be the last time fees will be discussed.

Mayor Pro-Tem Hinojosa asked if a citizen could appeal the fees?

Ms. Alvarez responded yes, but there is a process in the ordinance for appealing.

Mayor Pro-Tem Hinojosa commented that he does not recall anyone ever appealing.

Ms. Alvarez commented that there may have been a few appeals done when this was first introduced a few years ago.

Introduction item.

**11. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances by amending Chapter III, Article 7, Personnel Policies. (Human Resource Director).**

Mr. McLaughlin stated that part of the city's budget is the compensation plan. What is missing in the compensation plan is the listing of the two firefighters, although they are included in the budget.

Introduction item.



- 12. Consider introduction of an ordinance ratifying classification and prescribing the number of positions in such classifications for the classified service in the Police Department by adding one new Officer Position. (Human Resource Director).**

Introduction item.

- 13. Consider introduction of an ordinance ratifying classification and prescribing the number of positions in such classifications for the classified service in the Fire Department by adding two new Fire Fighter Positions. (Human Resource Director).**

Mr. McLaughlin stated that the Fire Department will go from 19 personnel to 21 personnel, which include the two additional Fire Fighters.

Commissioner Lopez thanked City Manager McLaughlin for the addition of two Fire Fighters, as this was long overdue.

Introduction item.

- 14. Consider a resolution amending the City of Kingsville Administrative Policies and Procedures Manual, Policy No. 720.01-Designation of Holidays. (Human Resources Director).**

Mr. McLaughlin stated that in June 2021, a bill was signed into law making June 19<sup>th</sup> a national holiday, Juneteenth National Independence Day). Staff views the new national holiday as a positive occurrence and is proposing to add this Federal holiday to the list of authorized City holidays.

Commissioner Alvarez asked if these holidays are paid holidays. Mr. McLaughlin responded yes.

**Motion made by Commissioner Lopez to approve the resolution amending the City of Kingsville Administrative Policies and Procedures Manual, Policy No. 720.01-Designation of Holidays, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Torres, Alvarez, Lopez, Hinojosa voting "FOR".**

- 15. Consider a resolution amending the City of Kingsville Administrative Policy No. 731-Flex Leave. (Human Resources Director).**

Mr. McLaughlin stated that to enhance the city's leave benefits, it is proposed to increase flex leave hours from 8 to 12 hours per year for full-time employees and from 8 to 10 hours per year for regular part-time employees. The flex leave policy will revert eligibility requirements to non-civil service regular full-time and part-time employees only. These additional hours would be granted during the employee's birthday month. No cash payment for unused flex leave hours will be authorized at any time nor upon separation of employment.

Commissioner Alvarez asked if an employee should get COVID-19, will they be required to use their sick or vacation days?

Mr. McLaughlin responded yes. The employee would need to use sick or vacation hours or they can draw from the leave pool if they have participated in that program or use FMLA. Only first responders will be paid under FMLA as per the new law.

Ms. Alvarez stated that first responders will only be paid FMLA for COVID-19 reasons, which is a new State statute that was approved.

**Motion made by Commissioner Lopez to approve the resolution amending the City of Kingsville Administrative Policy No. 731-Flex Leave, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa voting "FOR".**

- 16. Consider accepting donation from Broshears family for the Animal Control Division of the Health Department. (Health Director).**

Commissioner Torres asked what this donation would be used for. Ms. Alvarez responded that it will be used for Vet Care.

**Motion made by Commissioner Lopez to approve the acceptance of donation from Broshears Family for the Animal Control Division of the Health Department, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Lopez, Torres, Alvarez, Hinojosa voting "FOR".**

- 17. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to accept and expend donation from Mr. & Mrs. Johnny L and Patricia Broshears for Minor Vet Care. (Health Director).**



Introduction item.

**18. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover expenditures for setting up a COVID-19 Testing Site at the Health Department. (Finance Director).**

Mrs. Balli stated that the County established a COVID Testing Site at the City's Health Department and there was a need to lay street materials for the drive-through so that cars could easily access the testing site. As this was not budgeted, these expenditures cannot be covered in the regular Street Department budget. Efforts will be made to submit these expenditures should other funding be made available. The cost for this is \$14,704.00.

Commissioner Alvarez commented that staff's memo was a little confusing, as she thought it was to set up a COVID Testing site.

Commissioner Torres stated that she agrees with Commission Alvarez's comment, as she also thought it was for a new COVID Testing site as well. Torres further asked if the wording would be changed. Mrs. Balli responded no, as the memo states that the County had established a COVID Testing site with a need to lay street material for the drive-through testing.

Ms. Alvarez commented that the wording for the agenda item can be changed for the next meeting as this is only an introduction, but the funds were used to set up the site a few months ago.

Introduction item.

**19. Consider introduction of an ordinance amending the Fiscal Year 2020-2021 budget to cover additional personnel overtime costs due to employees out sick with COVID, salary payouts due to several employee departures and additional vehicle maintenance. (Finance Director).**

Mrs. Balli stated that during the COVID pandemic this year, the Sanitation Division had five employees out due to the virus and with other employees out at various times for family members and friends. This led to an increase in overtime for employees providing sanitation services. We are also currently waiting for two replacement residential garbage trucks expected to be delivered later this month which will reduce the excessive amounts of delayed service due to emergency truck repairs. This will impact the general fund unappropriated fund balance by \$70,000.000.

Introduction item.

**20. Consider a resolution authorizing the City Manager to execute Amendment No.1 to the Construction Contract for Downtown Improvements between Etech Construction Inc. and the City of Kingsville for Downtown Improvements-Kleberg Ave. (TxCDBG Contract #7219012). (City Attorney).**

Ms. Alvarez stated that the SueAnn Department of Agriculture has issued a revised Section 3 Rule that will apply to all projects receiving CDBG Funds. The city has one of those grants which will have to be amended to comply with the rules which affect the grant administrator and the construction contractor.

**Motion made by Commissioner Alvarez to approve the resolution authorizing the City Manager to execute Amendment No.1 to the Construction Contract for Downtown Improvements between Etech Construction Inc. and the City of Kingsville for Downtown Improvements-Kleberg Ave. (TxCDBG Contract #7219012), seconded by Commissioner Lopez.**

Mr. Uche Echeozo, Director of Planning & Development Services commented that the contract number listed on the agenda item is incorrect. The contract number on the agenda is #7219012 but should read #7219192.

Ms. Alvarez commented that staff can revise the resolution to state #7219192.

Commissioner Alvarez stated that she would amend her motion to stated contract #7219192.

Commissioner Lopez asked if it would be a problem as the agenda item shows the wrong contract number.

Ms. Alvarez commented that we still have the location information, which was more for the Commission's information, to give a point of reference. The actual contract amendment in the agenda packet has the correct contract number.



Commissioner Lopez commented that if someone looks for this contract number on the agendas, it will have the incorrect contract number.

Ms. Alvarez commented that if it is the Commission's desire, staff can make the correction and bring back the item at the next Commission meeting.

The commission agreed to have staff make the correction and bring the item back at the next Commission meeting.

Commissioner Alvarez withdrew her motion to approve as well as Commissioner Lopez withdrawing her second.

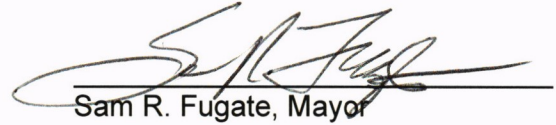
No action was taken on this item.

**21. Consider a resolution authorizing the City Manager to execute an Interlocal Agreement for E9-1-1 Public Safety Answering Services between the City of Kingsville and the Coastal Bend Council of Governments. (City Manager).**

**Motion made by Commissioner Alvarez to approve the resolution authorizing the City Manager to execute an Interlocal Agreement for E9-1-1 Public Safety Answering Services between the City of Kingsville and the Coastal Bend Council of Governments, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa voting "FOR".**

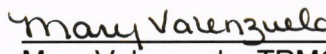
**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 6:02 P.M.



Sam R. Fugate, Mayor

**ATTEST:**

  
 Mary Valenzuela, TRMC, CMC, City Secretary