

APRIL 11, 2022

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, APRIL 11, 2022, IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 P.M.

CITY COMMISSION PRESENT:

Hector Hinojosa, Commissioner
Sam R. Fugate, Mayor
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
Kyle Benson, IT Manager
Derek Williams, IT
Ricardo Torres, Police Chief
Emilio Garcia, Health Director
Diana Gonzales, Director of Human Resources
Bill Donnell, Public Works Director
Charlie Sosa, Purchasing Manager
Rudy Mora, City Engineer
Juan J. Adame, Fire Chief
Susan Ivy, Parks & Recreation Manager
Deborah Balli, Finance Director
Uchechukwu Echeozo, Director of Planning & Development Services
Kobby Agyekum, Senior Planner/HPO

I. Preliminary Proceedings.

OPEN MEETING

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

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

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

MINUTES OF PREVIOUS MEETING(S)

Regular Meeting – March 28, 2022

Motion made by Commissioner Lopez to approve the minutes of March 28, 2022, as presented, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR". Commissioner Torres "ABSTAINED".

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

1. Public hearing regarding request to rezone Sims 3, Block 3, Lot 7-11, also known as 915 E. Mesquite, Kingsville, Texas, from C4 (Commercial District) to C2 (Retail District). Laura Jiminez, owner/applicant. (Director of Planning & Development Services).

Mayor Fugate read and opened this public hearing at 5:02 P.M.

Mr. Uchechukwu Echeozo, Director of Planning & Development Services reported that this item is a request to rezone this property from a C4 to C2. The applicant would like to subdivide the property to build housing. The property is currently zoned as C4 and currently has a residential structure. Mr. Echeozo further reported that rezoning the property to a C2 would allow for residential structures.

Mayor Fugate asked if staff received any calls from individuals who received notification of this rezone.

Mr. Echeozo responded that no calls were received.

Mrs. Mary Valenzuela, City Secretary commented that she has received a public comment from a resident regarding the rezone of 915 E. Mesquite and will be read during the public comment section of the agenda.

Mayor Fugate 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 Fugate closed this public hearing at 5:05 P.M.

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 he will be meeting with Ms. Mary Afuso from the Coastal Bend Council of Governments on April 19, 2022, to discuss monies that will be divided amongst the different entities. He further stated that he will report back to the Commission at a future meeting on the outcome of this meeting and the dollar amount the City of Kingsville will be receiving. Mr. McLaughlin further reported that sales tax numbers were released today, and the City of Kingsville had a great month in April. The February deposits were up 15% for the month leaving the city a year-to-date total of \$400,000 in sales tax, with a total at this time of \$3.4 million. He further announced that the City of Corpus Christi will be hosting the next TML Region 11 meeting on May 6th at the Texas State Aquarium.

Ms. Courtney Alvarez reported that the next City Commission meeting will be held on Monday, April 25, 2022, with the deadline for staff to submit their agenda items by Thursday, April 14, 2022. City Offices will be closed on Friday, April 15, 2022, for Good Friday.

Mayor Fugate read and presented two proclamations: Month of the Military Child and National Public Safety Telecommunicators Week.

IV. Public Comment on Agenda Items.³

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

Mrs. Mary Valenzuela, City Secretary read a public comment received from Gloria Alvarez of 912 E. Mesquite. The comment read as followed: My concern with this rezoning is that the reason behind this is so that multiple family houses can be placed on this lot for section 8 housing, which can potentially mean people moving in and out constantly. Also, with the renters that are currently there, we've already experienced a lack of care for us as neighbors. 915 has two homes currently and only one trash can, they never put the trash out on trash days and their trash flies up and down the street. I have already found multiple dirty diapers in my yard, and I live across the street. I then proceed to move the diapers back to their yard (I know it belongs to them because it matches what is hanging out of the trash bin). They have left said dirty diaper out in the street for 2 weeks. Bringing multiple temporary families in with the lack of landlord supervision has me very worried.

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 and Commissioner Alvarez to approve the consent agenda as presented, seconded by Commissioner Hinojosa. The motion

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

1. Motion to approve final passage of an ordinance amending the Fiscal Year 2021-2022 budget to expend funds for demolitions of unsafe structure by Code Enforcement. (Building Official).
2. Motion to approve final passage of an ordinance amending the Fiscal Year 2021-2022 budget to accept and expend donations received from Kingsville Parks Youth Pony League team sponsors for the purchase of supplies (for league). (Parks Director).
3. Motion to approve final passage of an ordinance amending the Fiscal Year 2021-2022 Budget to appropriate funding for emergency sewer line repairs to an 18" gravity line at the North Wastewater Treatment Plant. (ARP funds). (Public Works Director).
4. Motion to approve final passage of an ordinance amending the Fiscal Year 2021-2022 budget to expend funds for the roof system replacement at the Police Department building. (ARP Funds). (Purchasing Manager).
5. Consider re-appointment of Joy Ansley to the Health Board for another 3-year term. (Health Director).
6. Motion to approve a revised resolution accepting award of Operation Stonegarden Grant funds for funding year 2022; authorizing the Chief of Police to act on the City's behalf with such program. (Police Chief).
7. Motion to approve a resolution authorizing the City Manager to enter into a revised Low Income Household Water Assistance Program "Water Provider Agreement" with Kleberg County Human Services. (Finance Director).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

8. Presentation and discussion on VA Mobile Unit for use by Kingsville veterans. (Commissioner Torres).

Commissioner Torres stated that she attended a meeting with the VA Office through the Kleberg County Services Office. One item that is coming in from the VA Office is a VA Mobile Unit for veterans in our community. She stated that Kleberg County has about 2,000 veterans within and does not include veterans from surrounding communities. She further stated that the VA will need assistance with the mobile unit which she has assured them that the city would be willing to assist.

Dr. Jennifer Wood, Acting Chief of Staff for VA Texas Valley Coastal Bend, stated that their office is based in Harlingen, TX with their health care extending to Corpus Christi and up to Laredo. She stated that with veterans living a good distance from their office and rather than expecting veterans to come down to the valley for services, they would like to bring the care to the Veterans. The mobile unit is an innovative idea and the first VA in the nation to try this concept. A primary care team will be placed on a mobile unit to travel to communities where veterans reside to receive healthcare.

Mr. Jose Meza, Graduated Health Administrative Professional Trainee, stated that they have an enrolled veteran population of almost 50,000 of which 10,000 live in rural areas. Due to remoteness and their age, they are more likely to have complex medical conditions. Due to the remoteness of their community, oftentimes it is hard for them to make their way to the Veteran's Office for medical assistance. The goal is to deploy medical units to these areas where the veteran can have easy access to medical health care. Mr. Meza further stated that a medical mobile unit will bring medical services to a community to serve its veterans. The unit will have ADA access for those veterans using mobile devices to get around. The mobile unit will have two exam rooms, a bathroom, a blood drawn area, and an audiology booth. Two mobile units are scheduled to arrive between June and July. One unit will be parked in Corpus Christi and deployed to Kingsville, Alice, and Carrizo Springs. The unit will be deployed to these communities one day a week. The second unit will be deployed to the valley area to serve those communities. The units will provide primary care, women's health, audiology, laboratory, and services they may be able to provide using Telemedicine.

Mayor Fugate asked how the City of Kingsville can assist with this service.

Mr. Meza responded that the assistance they will need is an area where they may park the mobile unit, power service, and assistance with outreach to the community veterans.

Mayor Fugate asked if a presentation has been made to Kleberg County?

Mr. Meza responded no.

Commissioner Torres commented that this was presented to Mr. Pecos, Veterans Affairs Officer for Kleberg County. She further stated that Mr. Pecos was going to set up a meeting, but she moved forward with it before the meeting could be set as she wanted to make sure that the city was aware of what was going on.

Commissioner Alvarez asked if there was already a mobile unit available? Mr. Meza responded yes, but at this time that unit is decommissioned.

Commissioner Torres stated that Mr. Art Montiella who is with the Veteran's Center who have a similar project as well.

Mr. Montiella Veterans Outreach Veteran Program stated that his center is a mental health branch of the VA. He further stated that with there being veterans with mental health issues, they would like to bring their services to the community. He is currently speaking to representatives from Texas A&M Kingsville about using a space to provide services to veterans. He further stated that they would like to bring their services to the community of Kleberg and the City of Kingsville. He stated that they are looking for a designated space in the community where they can provide their services to the veterans from this community and the surrounding areas.

9. Consideration and approval of an ordinance authorizing the issuance of "City of Kingsville, Texas Tax Notes, Series 2022"; entering into a Purchase and Investment Letter and a Paying Agent/Registrar Agreement; and approving other matters relating thereto. (Finance Director).

Mr. Don Gonzales of Estrada Hinojosa gave the City Commission a brief presentation on Tax Notes, Series 2022. Mr. Gonzales went over a graph which consisted of a graph showing the Municipal Market Data Yield Curve as well as a table showing the maturity dates and change over per week, month, and year. He stated that the graph will show how interest rates have moved up significantly in the past year. The table will show that there is a seven-year maturity that will end in 2029 with the change over the last year being +1.49 basis points which are about 1 1/2 %. Looking at one month it is +0.66 basis points of movement in this last month. Mr. Gonzales further stated that in March the Federal Government raised interest rates by 25 basis points. It is expected now that the Federal Government will raise between five and seven times more this year. For anyone looking at borrowing money will be looking at what they will be faced with over the period. He stated that for this case we are looking at borrowing money and paying it back over the next seven years. He further stated that what they are trying to figure out is at what point they lock up the interest rates that they will be offering in their bid for the City of Kingsville for the seven-year maturity. He further stated that if we were looking at interest rates that were obtained a year ago versus where we are today, we will see a significant difference. He further stated discussed the "AAA" MMD History since 2000 which showed the high and the low over the 22 years. He stated that the seven-year mark shows slightly below the average for a "AAA" rate. Mr. Gonzales discussed the 30-year "AAA" MMD vs. 30 Year Treasury since 2000 graph.

Mr. Matt Luhan representative of Estrada Hinojosa continued with the presentation. Mr. Luhan stated that for bid comparison, they have received four bids from American National Bank of Texas, Amegy Bank, Truist, and TIB National Association. The best bid received was from American National Bank of Texas with a 2.64% interest rate. He further stated that Estrada Hinojosa recommends selecting the bid from American National Bank of Texas based on the lower interest rate and similar terms. Mr. Luhan stated that the financing team consists of the City of Kingsville as the issuer, Estrada Hinojosa & Company, Inc. as the Financial Advisor, Winstead, PC as Bond Counsel, American National Bank of Texas as the Purchaser, and Wilmington Trust as the Paying Agent. Mr. Luhan further discussed the outstanding general obligation debt chart which shows the city's obligation debt of \$20.6 million in general obligation debt outstanding. Half of that amount, \$10.9 million is callable with its respective call dates. He stated the interest and principal payments from the fiscal year 2022 to the fiscal year 2051. Between 2023 and 2024, the debt payment drops leaving capacity and as the city moves forward with its capital improvement plans through the next year, the city can use that to maintain a stable tax rate. Mr. Luhan further discussed the preliminary project list and sources and uses. Tax Notes, Series is an estimated amount of \$1,850,000. Uses have been broken down into two categories that will be used, a general fund for \$1,090,000 and a utility fund for \$720,000 with the cost of issuance of \$40,000 for a total use of \$1,850,000.

Commissioner Hinojosa commented that this gives the city a general idea as to how the city can use this money and further asked if this money could be used for operating expenses? He further stated that the issuance in deficit, items 4 and 5 on the ordinance gives too much of a leeway. He stated that he doesn't mind the other three listed in the ordinance but does have a concern with the payment of operating expenses or current expenses, or fund the issuer's cumulative cash-flow deficit.

Ms. Alvarez stated that as Bond Counsel was unable to be in attendance tonight, staff can ask what this is about and asked if Mr. Gonzales had an idea of what this meant.

Mr. Gonzales stated that the bond proceeds are allowed for capital items and not for operational or deficit funding. He stated that bond counsel has been doing most recently is adding these two provisions given what they have seen with the pandemic and certain funds that have been coming in such as ARP Funds and other CARES Act Funds. He further stated that what some governmental entities have done is use bond proceeds to fund some of those in the interim until they receive those funds and reimburse themselves. He further stated that this is giving more flexibility which is not what they would recommend. He stated that the city has control as to whether or not it would be used for a purpose other than capital improvements.

Mayor Fugate asked if those two items can be removed from the ordinance? Mr. Gonzales responded that the city is in a position of control and if the city already has these funds year marked for certain projects, there may not be any funds left over for the other purposes.

Commissioner Hinojosa commented that he is not comfortable with those two items on the ordinance and would like to see them removed.

Mayor Fugate asked for Ms. Alvarez to contact bond counsel and have items 4 and 5 listed on the first Whereas be removed from the ordinance.

Motion made by Commissioner Hinojosa to approve the ordinance authorizing the issuance of "City of Kingsville, Texas Tax Notes, Series 2022"; entering into a Purchase and Investment Letter and a Paying Agent/Registrar Agreement; and approving other matters relating thereto contingent to the removal of items 4 and 5 listed on the first "WHEREAS" of the ordinance, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Torres, Hinojosa, Alvarez, Fugate voting "FOR".

10. Discussion by H.M. King Historical Foundation on ideas/proposals/plans for city hall and surrounding area. (Mayor Fugate).

Mayor Fugate stated that the Foundation is interested in assisting with the landscaping of the premises. He further stated that landscaping work and the creation of the park next door to City Hall will be moving forward soon. There are significant funds to be able to begin the projects. He further stated that the northside of the city hall is being projected to create a city green area. The area will have a walking trail with trees and benches around the trail. The green space will allow children to play and practice their sports. There have been talks about placing a recreational area, restrooms, and a water feature on the west side of the green area. All ideas will come to the City Commission where they will have a say on the plan of the green area. Mayor Fugate further discussed the plan for the area located on the south side of city hall where a statue of Mr. & Mrs. Richard King, provided by the King Ranch Family, will be installed and further spoke about the landscaping for that area. Mayor Fugate further stated that there have been talks about planting a community garden near the Planning Department, which is located on the southeast side of city hall.

11. Consider introduction of an ordinance amending the zoning ordinance by changing the zoning map in reference to Sims 3, Block 3, Lot 7-11, also known as 915 E. Mesquite, Kingsville, Texas, from C4 (Commercial District) to C2 (Retail District), amending the comprehensive plan to account for any deviations from the existing comprehensive plan. (Director of Planning & Development Services).

Introduction item.

12. Consider authorizing purchase of HPE Nimble Intelligent self-managing network attached storage array, with installation and configuration for storage of digital video evidence from Greater South Texas Corp. dba Computer Solutions via DIR purchasing cooperative, as per staff recommendation. (Police Chief).

Mr. Ricardo Torres, Chief of Police stated that the Kingsville Police Department is requesting a resolution to create a line item for funds from the Fiscal Year 2022 Body-Worn Camera Grant Program. The purchase will consist of hardware and software to allow for the downloading of camera footage as well as software and hardware to allow for the storage of video from those cameras. He further stated that this is a grant for \$122,599.36, grant funds of \$91,949.52 with a cash match of \$30,649.84.

Motion made by Commissioner Hinojosa to authorize the purchase of HPE Nimble Intelligent self-managing network attached storage array, with installation and configuration for storage of digital video evidence from Greater

South Texas Corp. dba Computer Solutions via DIR purchasing cooperative, as per staff recommendation, seconded by Commissioner Alvarez and Commissioner Lopez. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

13. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to accept and expend grant funds from the Criminal Justice Division for body worn camera for hardware and software for downloading and storing camera footage. (Police Chief).

Introduction item.

14. Discussion on Jet Engine Training Program grant opportunity for Kingsville. (City Manager/EDC Director).

Mr. McLaughlin stated that this is a program that has been worked on for over a year to try and grow jet engine mechanics for NAS Kingsville. It was recently discovered that there was a similar program in West Texas that has been terminated which allowed Kingsville to get some of the material to be used for this program. The program will be going through Coastal Bend College. He further stated that the city and the EDC will be funding the \$150,000 for this program, which is half of the cost needed. The other half of the cost will be coming from a grant applied for which they know that it is a very good guarantee to be awarded. It was further mentioned that the \$150,000 will be coming from the City ARP Funds to offset the cost of the grant match.

Mayor Fugate asked if the money was already allocated in the budget? Mr. McLaughlin responded that it was never transferred to the final budget. It was talked about during the budget workshops, but funds were never transferred.

Commissioner Torres asked if this will be a continuance project, or will it be done year by year?

Mr. McLaughlin responded that at this time it is a one-time project as it is unknown how it will play out.

15. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to appropriate funding for the Jet Engine Repair Training Program. (ARP Funds) (City Manager/EDC Director).

Introduction item.

16. Consider accepting a donation from the Coastal Bend Regional Advisory Council for Fire Department medical supplies. (Fire Chief).

Mr. Juan J. Adame, Fire Chief stated that the Kingsville Fire Department has received a donation from Coastal Bend Regional Advisory Council for an amount of \$6,141.00. Funds will be used for medical supplies.

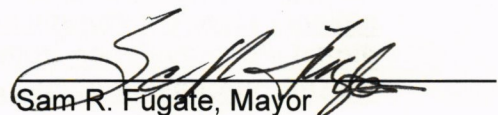
Motion made by Commissioner Lopez and Commissioner Alvarez to accept a donation from the Coastal Bend Regional Advisory Council for Fire Department medical supplies, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

17. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to accept and expend funding from the Coastal Bend Regional Advisory Council for EMS Medical Supplies. (Fire Chief).

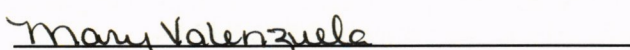
Introduction item.

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:16 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, CMC, City Secretary