

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JUNE 13, 2022, 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
 Kyle Benson, IT Manager
 Derek Williams, IT
 Ricardo Torres, Police Chief
 Emilio Garcia, Health Director
 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
 Janine Reyes, Tourism Director
 Mike Mora, Capital Improvements Manager
 Diana Gonzales, Human Resources Director
 Joseph Ramirez, Engineers Assistant
 Bill Donnell, Public Works Director

I. Preliminary Proceedings.

OPEN MEETING

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

MINUTES OF PREVIOUS MEETING(S)

Motion made by Commissioner Lopez to approve the minutes of May 9, 2022, and May 14, 2022, as presented, seconded by Commissioner Torres and Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

Regular Meeting - May 9, 2022.

Special Meeting - May 24, 2022.

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

None.

III. Reports from Commission & Staff.²

"At this time, the City Commission and Staff will report/update on all committee assignments which may include, but is not limited to, the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful, and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, 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 has given the City Commission a copy of the 2nd Quarterly Budget Report which ended on March 31, 2022. The Finance Audit Committee has met regarding this report on Monday, June 13, 2022. Mr. McLaughlin reported that Tuesday, June 14, 2022, is Flag Day with flags being displayed in the downtown area. He further reported that sales tax came in this morning, and we were

down by \$11,000 off our projections but we are still up about \$450,000 for the month. Overall year-to-date we are still up over the budgeted projections by over \$360,000.

Ms. Courtney Alvarez, City Attorney reported that the next scheduled City Commission will be on Monday, June 27, 2022. The deadline for staff to submit their agenda items is Thursday, June 16, 2022. She further reported that the city will be observing a holiday on Monday, June 20, 2022, in observance of Juneteenth Day. Ms. Alvarez further reported that staff has received a request from a new developer who wants to assist the city in establishing a Public Improvement District (PID) which is allowed by the statute that helps to offset the cost of the infrastructure that would go into the development. She further stated that the developer and their legal counsel will be making a presentation to the City Commission at the next Commission meeting, on June 27, 2022. She further stated that the city's Bond Counsel Mr. Dan Martinez and our Financial Advisor Mr. Don Gonzalez are aware of this and have had a brief call amongst everyone last week, as they have done these in the past in other cities. They will be coming in to provide some information on the process so that when the Commission is asked at a future meeting, we will all be better informed on how it works.

Commissioner Torres commented as tomorrow, June 14, 2022, is Flag Day, it is also the Army's 247th birthday.

Mayor Fugate commented that Mr. Charlie Sosa, Purchasing Manager met with the Foundation that owns the building we are in as our City Hall, and worked with the Foundation on the landscaping for the City Hall area.

IV. Public Comment on Agenda Items.³

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

No public comments were made.

V.

Consent Agenda

Notice to the Public

The following items are of a routine or administrative nature. The Commission has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.

CONSENT MOTIONS, RESOLUTIONS, ORDINANCES AND ORDINANCES FROM PREVIOUS MEETINGS:

(At this point the Commission will vote on all motions, resolutions and ordinances not removed for individual consideration)

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: Alvarez, Lopez, Torres, Hinojosa, Fugate voting "FOR".

1. Motion to approve the reappointment of Dora Martinez to the City's Civil Service Commission for a three-year term. (Human Resource Director).
2. Motion to approve date change of previously approved City sponsored Independence Day concert from July 4th to July 3rd, 2022. (Downtown Manager).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

3. Presentation by Purple Door's Kleberg End Domestic Violence Task Force on local efforts. (City Manager).

Ms. Kathy Kimble, President of the Domestic Violence Task Force stated that her organization is not associated with the Purple Door but rather supports the Purple Door. She further introduced those individuals in attendance, Vice President Jennifer Ratcliffe-Jones, Secretary J Dean Craig, and Treasurer Adela Garcia. Ms. Kimble stated that they are a grassroots group that came from a ministerial alliance and concerned citizens in January 2019 as they realized that there was a gap in services for victims of domestic violence. Since then, they have created a court accompany program as well as an emergency hotel voucher system for the local law enforcement and the Purple Door for when women or men can't get to the shelter in Corpus Christi. She further commented that what they have created is a Trusted Location that will be

and already has been displayed at churches and businesses that are designated as a Trusted Location. This is a training that has been created for our community to meet the needs of our community.

Ms. Jennifer Ratcliffe-Jones stated that the Trusted Location was created to fill in the gaps when the Purple Door is not open. The Trusted Location allows individuals who are afraid to come to the Purple Door or contact law enforcement to come in and get information and get trained on what domestic violence is and how to get assistance. She further encouraged the Commission and members of the community to come out and learn more about the Trusted Location Program.

Mayor Fugate commented that on behalf of the City Commission he would like to thank this organization for the assistance they are providing our community when it comes to domestic violence.

4. Consider accepting the Annual Comprehensive Financial Report (ACFR) of the City of Kingsville for Fiscal Year 2020-2021. (Finance Director).

Mr. Luke Womack, Auditor stated that the Audit Committee met and reviewed the Annual Comprehensive Financial Report for the City of Kingsville. He stated that the City of Kingsville is in good solid shape with no material findings of any kind.

Mrs. Margaret Kelly went over the City of Kingsville's Annual Comprehensive Financial Report for Fiscal Year 2020-2021. She stated that for the general fund column total assets of \$15,690,000.00 which is up from the prior year's \$243,000. Total liabilities are at \$1,313,000.00 which is down from the prior year of \$350,000. Total equity has increased by \$638,000 in the current year, of which a good portion of this is unassigned. The unassigned fund balance increased by \$865,000.00. Committed to street maintenance decreased by \$632,000 as it was planned to do as it was set aside for that purpose and then used. Police forfeiture fund total assets are up to \$219,000 and total liabilities also increased to \$304,000.00 which most of this is pending forfeiture fund and a decrease in fund balance of \$85,000.00. Federal Grants contain the ARP Grant which has been received but not spent. The debt service fund decreased its fund balance to \$214,000 which is everything paying off as expected. The DEAG grant which has cash transferred in from the utility fund and waiting to be used \$907,000.00, and this amount is down in equity-restricted state and federal programs. Total revenue is down \$683,000 which is because intergovernmental revenue was less than it was last year. Mrs. Kelly commented that most of the categories have increased, taxes increased by \$830,000, and charges for services increased by \$130,000.00. Total expenditures have increased by \$1.1 million which is spread throughout the different categories. Mrs. Kelly stated that there were a lot of expenses this year regarding COVID and other things related to it. Issuance of debt tax notes of \$1.3 million. Police forfeitures revenue decreased by \$95,000, but so were expenses by \$90,000. It had a net change in fund balance of \$85,000 deficit. She stated that federal grants are mostly waiting to happen next year, but the city did have some CDBGs for \$445,000 and a Texas Parks and Wildlife grant for \$360,000. Enterprise Fund balance has total current assets increased by \$4.5 million, which is cash from the ARP Grant, and \$3.3 million in cash from new debt that hasn't been spent yet. Deferred resources are about the same as last year. Current liabilities increased by \$92,000 and total liabilities are up to \$1.9 million which is in the contractual obligations payable which increased by about \$3 million. The total net is up to \$978,000 with restricted capital outlay decreased as it was spent as it was intended to, so the unrestricted is up and balances out evenly with an increase overall of \$978,000. The internal service fund has an increase in cash of \$16 million. Accounts payable is up by \$192,000 which went from a net position of \$1.17 million to \$2.389 million for this year. The utility fund has a total operating revenue of \$10,483,000, an increase of \$907,000 over last year. Operating expenses increased by \$462,000. Net income before transfers was \$2.59 million and last year was \$2.59 million. Transfers out increased for a total net of \$1.981 million with a net income of \$977,000. This brings the fund balance to \$13,384,506.00. Insurance fund revenues increased by \$935,000 that \$370,000 was stop-loss reimbursements. Expenses decreased by \$135,000 this year, in the self-insurance. The net hit to the fund balance is an increase of \$1.17 million bringing the fund balance to \$2,389,000. Mrs. Kelly further reported that on the schedule of findings and question costs, both categories show none. There were no findings to present in the audit.

Mayor Fugate asked how many years has it been that the City of Kingsville has had no findings? Mrs. Kelly responded that there was a single finding last year that was an issue with the utility billing, wasn't a huge event, but probably for several years that the city has had no findings.

Motion made by Commissioner Hinojosa to accept the Annual Comprehensive Financial Report (ACFR) of the City of Kingsville for Fiscal Year 2020-2021, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Torres, Hinojosa, Alvarez, Fugate voting "FOR".

5. Consider accepting donation of \$500 from Others First for firefighting equipment. (Fire Chief).

Mr. Juan J. Adame, Fire Chief stated that the Kingsville Fire Department has received a donation from Others First for the amount of \$500. The donation will be used for firefighting equipment.

Motion made by Commissioner Lopez and Commissioner Alvarez to accept the donation of \$500 from Others First for firefighting equipment, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

6. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to accept and expend a donation from Other's First for firefighting equipment. (Fire Chief).

Introduction item.

7. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to increase the Park maintenance motor gas & oil budget due to rising costs. (Parks Director).

Mrs. Susan Ivy stated that due to the increase in gas prices, their budget began at \$14,500 for this fiscal year which has already been depleted. They have transferred \$3,000 from within their budget to get one more load of gas but their budget is very lean right now and cannot support their needs for gas for the remainder of the fiscal year. The estimated expenditure for this year is about \$26,000, which requires an additional \$8,500 to finish the fiscal year.

Introduction item.

8. Consider accepting donation for Parks Department Healthy Family Events from Kleberg County Attorney's Task Force. (Parks Director).

Mrs. Ivy stated that healthy family events area a series of events that provide healthy living activities for the youth and families of Kingsville and Kleberg County. A donation of \$2,500 was received from Kleberg County Attorney's Task Force for healthy families events.

Motion made by Commissioner Lopez to accept the donation for Parks Department Healthy Family Events from Kleberg County Attorney's Task Force, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".

9. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to accept and expend donations from the Kleberg County Attorney Task Force for healthy family events. (Parks Director).

Introduction item.

10. Consider a resolution authorizing the City Manager to execute a letter Agreement with the King Ranch for use of their Running W Trademark in the City Logo. (Tourism Director).

Ms. Janine Reyes, Tourism Director stated that the City Commission authorized the City Manager to execute a Logo & Brand Guide Development Agreement with ESD and Associates on May 24, 2021. The City Commission voted and approved a final logo on March 28, 2022. This logo was contingent on an agreement for use of the King Ranch Running W incorporated into the final design. This logo will be used for city purposes only and no other purpose. King Ranch representatives have agreed to the use of their logo and the City Attorney has reviewed and approved the agreement between the City and King Ranch.

Commissioner Torres asked if the King Ranch would be receiving any percentage of the sales made by the Tourism Department.

Ms. Alvarez responded no.

Motion made by Commissioner Lopez to approve the resolution authorizing the City Manager to execute a letter Agreement with the King Ranch for use of their Running W Trademark in the City Logo, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Lopez, Torres, Hinojosa, Fugate voting "FOR".

11. Consider authorizing expenditure of Tourism ARP funds to replace worn out office furniture at the Tourism Department. (Tourism Director).

Ms. Reyes stated that the Kingsville Visitors Center has a lounge space in their lobby with couches for visitors and guests to sit down and browse marketing materials. The couches are in dire need of replacement. Staff worked with the Purchasing Manager to gather a quote on some custom-designed leather couches. A quote from a Dallas vendor who provided the lowest bid for a total of \$9,950, plus freight. This vendor provided the city with a 30% discount on their product. The total cost is estimated at no more than \$10,800. This total includes the custom-made couches at \$9,950 plus freight not expected to exceed \$850. The funding source for this expense is ARPA Funds earmarked for tourism. The remaining balance in ARPA Funds after the commission approves this expense is \$128,044.

Motion made by Commissioner Lopez to authorize expenditure of Tourism ARP funds to replace worn out office furniture at the Tourism Department, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Lopez, Torres, Hinojosa, Alvarez, Fugate voting "FOR".

12. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to expend Tourism ARP funding for office furniture. (Tourism Director).

Introduction item.

13. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to appropriate funding for the parking lot preparation and hot mix overlay of the west, east and north parking areas at the JK Northway. (City Manager).

Mr. McLaughlin stated that based on the conversations from the last city commission meeting, staff understood that they needed to find an alternate source of funding for the JK Northway parking lot so that it would not be taken from the street maintenance fund. What staff is proposing to use is the HOT Fund, a fund balance for an amount of \$158,998. Mr. McLaughlin further stated that Kleberg County Judge has agreed to pick up any overage costs or repairs that may occur while they are renovating the JK Northway.

Introduction item.

14. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 budget to appropriate funding for the parking lot study and phase 1 buildout of parking areas around the baseball fields at Dick Kleberg Park. (ARP Funds) (City Manager).

Mr. McLaughlin handed a map of the parking lot which was provided by the City's Engineering Department. The map will show the measurement of the baseball field areas at the park and the cost for full-depth construction. Mr. McLaughlin further discussed the map which was provided to the Commission. The brand-new layout of ball fields 4 & 6 and the existing fields around the area. Parking areas around the baseball complex revealed that the current conditions of the asphalt parking areas are too far into a state of disrepair, and the only option is to perform full-depth construction replacement. The plan proposed consists of full-depth construction of three separate areas. Full-depth construction involves the removal of 8" of existing dilapidated asphalt and base/dirt material below. The void will be replaced with 6" of packed limestone base, an emulsion for setting the chip seal, a chip seal layer to provide grip for the hot mix, and a 2.5" of hot mix overlay compacted to 2". Total cost for this procedure in material alone is approximately \$20 per square yard. The three identified parking areas include 1) a large rectangular lot that will begin at the northern edge of recently completed sidewalks in the complex, north to the nearest drive-off of the park road, which is approximately 2,200 square yards; 2) second lot is the pump lot. Due to the existence of an abandoned water well/pump area with pipes that still exist above ground. These works will require demolition to prepare an approximately 2,100 square yard parking area; 3) the third lot is triangular and located on the west side of the junction of the park road and the BBQ loop road. This piece of land presents challenges and could be approximately 2,800 square yards. It will most likely be smaller due to drainage areas and distances between the ball field and the BBQ loop road which can make parking a challenge. The final piece is the entrance to the first two parking areas off the park road. This area is approximately 560 square yards. Mr. McLaughlin stated that the total square yards of all three areas should not exceed 7,660 square yards. Some of this area will most likely not be paved due to physical constraints. At the cost of \$20 per square yard for full-depth construction, all 7,760 square yards would cost \$153,200. It is the staff's recommendation to use funds from the ARPA Funds for an amount of \$150,000 from the General Fund AROA State & Local Fund. He further stated that the Street Department will perform the work on the parking lots. Phasing of construction will follow street construction of high-priority streets with new curbs and gutters after the JK Northway hot mix project.

Mayor Fugate commented that he is aware that the city is applying for a Parks & Wildlife Grant and asked if there will be any monies available for these projects?

Mrs. Ivy responded that it will not provide funding for paving. It has to provide a direct recreational service.

Mayor Fugate asked if we could put more money into it to get these projects done.

Mr. McLaughlin responded that for the ARPA funds if the city uses the \$150,000 that was recommended at the last meeting it will take the ARPA balance and General Fund down to \$31,000 unappropriated. All the other funds have been earmarked, but some of it has not been brought to the commission for approval. He further stated that there could be some savings in wastewater treatment plant money that was set aside. At this point, there is only \$31,000 available, but there may be more depending on the Garver study as to what the city will pay for all the wastewater treatment plants. Mr. McLaughlin further stated that he can bring an amendment to this plan and do more parking lots after he sees how the ARPA money plays out.

Mayor Fugate commented that he is aware that there are a lot of citizens that are concerned about the city doing work at the JK Northway and the parks, and not working on the streets. He further asked if the money that is being used for these projects can't be used for city streets?

Mr. McLaughlin responded that the final rule has been adjusted about three times. It has been stated that you can use ARPA money on streets, which is the reason staff is putting it towards these parking lots.

Commissioner Hinojosa commented that he would not recommend that money be used on the streets, as the city will expand quickly by using it on the streets.

Mr. McLaughlin stated that by removing the \$150,000 cost from the streets, he has given the okay for the Street Supervisor to continue working down the street list.

Mayor Fugate commented that staff has repaired a lot of streets. He further stated that the parks do need some repairs and think that the money is well spent for both projects.

Commissioner Torres asked what the cost will be for the old pump house?

Mr. McLaughlin responded that it has been drawn up as they wanted to get the pump area removed and line up the corners as there is a bathroom facility in this area and a giant oak tree is in the way, which the city will not be removing. He further stated that he is not sure if they will pave around the oak tree or angle the parking lot. At this time, it is too premature to state a dollar amount as the area between the ball field and the oak tree on the corner is larger than a basketball court.

Introduction item.

15. Consider a resolution authorizing the Police Chief to enter a Mutual Aid Agreement between Commanding Officer, Naval Air Station Kingsville, and the City of Kingsville Police Department for authorization to utilize emergency radio frequencies. (Police Chief).

Mr. Ricardo Torres, Chief of Police stated that NAS Kingsville and the Kingsville Police Department recognize the need for authorized usage of interoperable radio frequencies during disaster-related situations. The goal is to establish network communications between the Kingsville Police Department and NAS Kingsville and to define the working arrangements, relationships, and responsibilities of both parties.

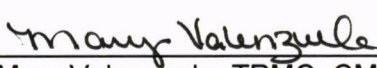
Motion made by Commissioner Alvarez to approve the resolution authorizing the Police Chief to enter a Mutual Aid Agreement between Commanding Officer, Naval Air Station Kingsville, and the City of Kingsville Police Department for authorization to utilize emergency radio frequencies, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 5:52 P.M.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, CMC, City Secretary