

SEPTEMBER 12, 2022

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, SEPTEMBER 12, 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 (Arrives at 5:23 P.M.)

**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  
Uchekukwu Echeozo, Director of Planning & Development Services  
Kobby Agyekum, Senior Planner/HPO  
Mike Mora, Capital Improvements Manager  
Diana Gonzales, Human Resources Director  
Joseph Ramirez, Engineers Assistant  
Bill Donnell, Public Works Director

**I. Preliminary Proceedings.**

**OPEN MEETING**

Mayor Fugate opened the meeting at 5:00 P.M. with four Commission members present. Commissioner Torres arriving at 5:23 P.M.

**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)**

None

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

1. None

**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.”*

Mr. Mark McLaughlin, City Manager thanked Health Department staff for their hard work in spraying for mosquitos throughout the city. He further updated the Commission on street work. He stated that the Street Department is working on cleaning out Caesar ditch, which should be done by September 13<sup>th</sup>. Code Enforcement Division will be working on sending out letter to properties with tall grass, most of which are vacant properties. Mr. McLaughlin further reported that due the Queen Elizabeth's passing, flags have been ordered to half-staff until the Queen's interment.

Ms. Courtney Alvarez, City Attorney announced that the next City Commission meeting is scheduled for September 26<sup>th</sup> with the deadline for staff to submit their agenda items no later than September 16<sup>th</sup>. The meeting following that is scheduled for October 11<sup>th</sup>. Due to staff attending the TML Annual Conference in San Antonio, the deadline for staff to submit their agenda items is set for September 28<sup>th</sup>. City offices will be closed on Monday, October 10<sup>th</sup> for Columbus Day.

Commissioner Lopez thanked city staff for their work on cleaning the Caesar ditch.

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

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

Terry Fitzwater, 213 E. Kleberg commented that the Vietnam Memorial Wall is scheduled to be Kingsville in November 2022. The Wall will be displayed near the Maggie Salinas Pavilion located on 6<sup>th</sup> Street. An educational day for students to visit the Wall is scheduled for November 10, 2022, from 12:00 P.M. to 2:00 P.M. A logo in commemorative of the Vietnam Memorial Wall has been created and will be given to those who served during the Vietnam War. He further commented that the Color guard has been put in place and taps will be played daily, while the wall is displayed. He further thanked city staff for their assistance with the Vietnam Memorial Wall preparations.

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

**1. Motion to approve final passage of an ordinance amending the Fiscal Year 2021-2022 Budget to accept and expend a donation from Keep Kingsville Beautiful for Train Depot repairs and lighting for main street. (Tourism Director).**

##### REGULAR AGENDA

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

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

**2. Consider final passage 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, 2022, and ending September 30, 2023, in the particulars hereinafter stated. (Finance Director).**

Mayor Fugate announced that if there were no objections from the other Commission members, he would like to take agenda items 8 through 14 before agenda item #2. This will give Commissioner Torres the opportunity to arrive at the meeting and be able to vote on agenda items 2 through 7. No objections were made by the Commissioners.

Mr. McLaughlin stated that the overall expenses for Fiscal Year 22-23 is \$97,423,154.68. The ad valorem tax rate that is figured into this budget is \$.82500 on the \$100 valuation. Ad valorem in the budget is expected to bring in \$6,525,170.00. Sales tax was budgeted at \$5,825,000.00 for the upcoming fiscal year. The Debt Service is \$1,679,776.00. Throughout this budget it raises the lowest compensated employee to \$13.00 an hour. The budget has a proposed 4% COLA increase across the board. The Fire Collective Bargaining Agreement (CBA) is included in the budget. The Police CBA is not included as they have not come to an agreement.

**Motion made by Commissioner Lopez, I move to approve final passage 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**

**1, 2022, and ending September 30, 2023 in the particulars hereinafter stated, seconded by Commissioner Alvarez.**

Commissioner Hinojosa commented that the 4% COLA is needed but does not like the COLA as you need to give it to everyone across the board, including the three top executives that report to the Commission as the city would be bound by the Department of Labor to give them a 3%. He further stated that he doesn't think that the exempt employees and the hourly employees are on the same level. A 4% increase to an exempt employee will be a lot more than to the hourly employee, which is what he is against. He also stated that he had asked the City Manager to divide the percentage into a 2% and 6%. Everyone needs an increase for living expenses. He stated that Commissioner Torres had mentioned that maybe the city could give the hourly employee 6% increase across the board, but this is not something he wants done. He rather break it up, 2% for exempt employees and 6% for non-exempt employees. The increase may not be the same but will be a lot closer. He further stated that he had also asked for a breakdown, and it is his understanding that a .25% would make the adjustment of \$12,000; so, a 2% would be around \$48,000. He also commented that he did not receive a quote on the decrease from a 4 to a 2. He stated that there is already the 4% across the board in the budget and he doesn't know the decrease would be on the exempt employees dropping it from a 4 to a 2. He stated that there was \$11,300 in there, but he assumed that it would be an increase of extra 2%. He doesn't think the difference would be that much. Commissioner Hinojosa further stated that in the budget there is enough money to find the difference due to the vacant positions that have not been filled. According to the salary schedule he received there was a Commander and four Lieutenants positions unfilled. There are also two firefighter positions vacant as well. The salaries from the unfilled positions can cover the difference for the 2% and 6%. He further commented that this is why he is against the budget. He also stated that on the proposed budget there is \$205,000 that is earmarked for the 4% for both Fire and Police Department. He assumes that this has been distributed amongst the Police and Fire, which is why he has asked if the 4% was in the budget and the answer was yes. He stated that what he is saying is to amend the budget and go with the 2% for exempt employees and 6% for non-exempt employees. He commented that he did not have the opportunity to review the entire budget, but like he mentioned at the last meeting, and he is sticking to what he had said, that he lost trust in the budget process and hopes that next year the process can start in the first meeting in May. He further explained that when an auditor comes in to do an audit he doesn't start on October 1<sup>st</sup>, they do preliminary work. He stated that he feels that with regards to the budget process, the Commission is being spoon fed and doesn't think that they have enough time to review the budget.

Commissioner Alvarez commented that she is for the 4% COLA but would like to see the lower tier paid employees moved to \$15.00 an hour. She further stated that she agrees with the City Manager's suggestion of revisiting this in 6 months and maybe readjust the pay. She further asked if this is something that could be done in the middle of a fiscal year.

Mr. McLaughlin responded that the Commission can always amend the budget. He doesn't believe that we can get everyone above \$15.00 mid-year. That would be a 2% increase for about 40 employees. He further stated that if you move those employees to \$15.00, the employee that is already at \$15.25 will not take it very favorably.

Mayor Fugate and Commissioner Hinojosa both agreed that this would not work.

Mr. McLaughlin further stated that moving the pay scale is risky for the city, as there isn't very much room to work with and considering that the Police CBA has not been approved. He stated that he supports Commissioner Hinojosa's recommendation of the 6% and 2%, but believes that inflation hits everyone, exempt or non-exempt, and he is proposing a 4% COLA across the board.

Commissioner Torres stated that she looked at the 4% increase across the board and she ran the numbers of 2% for exempt employees. She further stated that if you do the 4% for the exempt employees it is about a \$4,000 difference as compared to the \$1,000 difference for the lower bracket employees that are receiving \$12.98. She further stated that she looked at the 2% and 6% and the 2% for the exempt employees they are still getting \$2,000 which is what concerns her. She hadn't looked at it until Commissioner Hinojosa commented about the 6% and 2%, as she had mentioned the 4% and 4.5%. She further stated that the exempt work hard but the laborers and the lower bracket employees, she has seen them out on the street working and the numbers concern her. She hadn't looked at it until she started figuring out the numbers for the different percentages mentioned. She further stated that she would like to see a 3%/4% and 5% for the upcoming fiscal year. She stated that she is concerned about the inflation as it does affect everyone. She stated that the laborers that are at the lower bracket are working hard and making less than \$27,000 a year.

Mayor Fugate commented that the budget needs to be approved tonight. This is the budget that was presented at the last meeting, which he wasn't in attendance for, and have had budget hearings and what is being discussed now should have been brought up during the budget hearings. He further stated that he has been doing budgets for 25 years for both city and school boards and he was taught that you have to budget for every position, just in case they are filled. Mayor Fugate further commented that 4% across the board is fair to both exempt and non-exempt employees. It has been about 3 years ago that discussions began regarding \$15.00 an hour, and city staff stated that something needed to be worked on to get to the \$15.00 an hour so that the city isn't caught in a situation where it gets to the point that it would need to come up with additional funds and not have it. It was discussed that it would take about 5 years to get those lower paid employees to \$15.00 an hour. He stated that he agrees that city employees work hard but it will take some time to get those employees at \$15.00 an hour. It will not be possible for the upcoming fiscal year, but it could possibly be for the following fiscal year, it's just going to take some time. He also commented that the Commission can always look at this again in 6 months and maybe consider an increase for those employees.

Commissioner Hinojosa commented that he respects what Mayor Fugate is saying and he also has done many budgets in his career and knows that it can be done, the delay of hiring to fill certain positions. It can be budgeted for the whole year, but it can wait for 3 to 4 months, and the funds will be available. He further stated that he understands about the 25%, but the budget figures are not set in stone. They can be adjusted anytime during the year. He further commented that he respects everyone's opinion on this.

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

**3. Consider ratifying the property tax increase reflected in the 2022-2023 Annual Budget of the City of Kingsville. (Finance Director).**

Mr. McLaughlin stated that is to set the tax rate at \$.82500 per \$100 evaluation of city property.

Mayor Fugate stated that this is a decrease in the rate by \$ 1.50. Mr. McLaughlin responded yes.

**Motion made by Commissioner Lopez, "I move to ratify the property tax increase reflected in the 2022-2023 Annual Budget of the City of Kingsville, Texas", seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Lopez, Torres, Hinojosa, Alvarez, Fugate voting "FOR".**

**4. Consider final passage 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, 2022, and ending September 30, 2023, 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).**

Motion made by Commissioner Torres, "I move that the property tax rate be increased by the adoption of a tax rate of \$0.82500, which is effectively a 0.73 percent increase in the tax rate", seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Torres, Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

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

Mrs. Diana Gonzales, Human Resources Director stated that for the beginning of each new fiscal year, the City of Kingsville Classification & Compensation Plan is brought before the City Commission. The plan incorporates classification and title changes included in the City Manager's budget.

**Motion made by Commissioner Lopez to approve the ordinance amending the City of Kingsville Code of Ordinances by amending Chapter III, Article 7, Personnel Policies, seconded by Commissioner Torres. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Torres, Fugate voting "FOR".**

**6. Consider final passage 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).**

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

7. **Consider final passage 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).**

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

8. **Consideration and approval of a resolution authorizing the publication of Notice of Intention to issue certificates of obligation. (TWDB-FIF Drainage Project #8-Paulson Falls). (City Attorney).**

Ms. Alvarez commented that the city has receive notice that the application has been favorably approved. The next step is to have the Commission authorize the publication of Notice of Intention to issue certificates of obligation for this project. This project is covered through grants funds and the other part through CO's that the Water Development Board will purchase from the city at 0% interest for 30 years.

Motion made by Commissioner Lopez to approve the resolution authorizing the publication of Notice of Intention to issue certificates of obligation. (TWDB-FIF Drainage Project #8- Paulson Falls), seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

9. **Consider a resolution authorizing the City Manager to enter into a Collective Bargaining Agreement between the City of Kingsville, Texas and the Kingsville Professional Firefighter's Association, International Association of Firefighters (IAFF) Local #2390 for Fiscal Years 2022-2024, repealing all conflicting resolutions and providing for an effective date. (Human Resources Director).**

Mrs. Diana Gonzales, Human Resources Director stated that the current two-year collective bargaining agreement between the City of Kingsville and the Kingsville Professional Firefighters Association is set to expire on September 30, 2022. Several collective bargaining meetings were held during the months of July and August 2022. The agreement is for two years with increases to base wages with an additional holiday and added certification. Estimates for year 1 and Year 2 of the agreement, including applicable benefits are as follows: Year 1, Fiscal Year 2022-2023 includes a 4% wage increase, two holiday sell-back and one added certification, for a total of \$122,697; Year 2, Fiscal Year 2023-2024 includes 3% wage increase, continuation of two holiday sell-back, and continuation of one added certification, for a total of \$104,960. The Kingsville Professional Firefighters Association members voted to approve the proposals on August 30, 2022.

Commissioner Lopez asked if the association vote was unanimous? Ms. Gonzales responded that she is not aware if it was a unanimous vote, the President of the Union had only indicated that it was approved on August 30<sup>th</sup>.

Commissioner Hinojosa commented that from all these changes, Thursday was the first time he had heard of all the changes. He doesn't know if any of the other Commissioners were aware of the changes, but this is the first time he hears of them. He further stated that we are here now, at the last minute and it is being brought to the Commission to accept something that at the last minute. He also stated that staff could have had some meetings in executive session and been given an update on this. He further stated that he doesn't agree with how it has been brought up to the Commission, but staff could have given the Commission a preliminary update. Hinojosa commented that he is aware that they are not supposed to get involve in negotiations, but it is now being brought up at the last minute and expect the Commission to make a decision. He further asked if all the changes within the collective bargaining agreement have been included in the upcoming budget.

Mr. McLaughlin responded yes.

Ms. Alvarez commented that if the Commission wants more time on this, the item can be held off until the next Commission meeting on September 26<sup>th</sup>.

Mayor Fugate asked if the Commission would like to wait on voting for this item until the next scheduled meeting.

Commissioner Alvarez and Commissioner Lopez stated that if this is already included in the budget, why not move forward in voting for the item.

**Motion made by Commissioner Lopez to approve the resolution authorizing the City Manager to enter into a Collective Bargaining Agreement between the City of Kingsville, Texas and the Kingsville Professional Firefighter's Association, International Association of Firefighters (IAFF) Local #2390 for Fiscal Years 2022-2024, repealing all conflicting resolutions and providing for an effective date, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Lopez, Hinojosa, Fugate voting "FOR".**

**10. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to provide additional funding for overages that cannot be covered by the current budget. (Finance Director).**

Mrs. Deborah Balli, Finance Director stated that this budget amendment request is to provide additional funding for those items that current budget cannot cover. The following is the justification for each fund's need: UF Debt Service, with the issue of the new Tax Note Series 2022, the paying agent fees were higher than expected and there are no other line items that can cover the overage. Municipal Court Technology Fund, the court is sending out more notification calls than estimated and the operating lease was budgeted short due to a cleanup of operating lease equipment and owner departments. Utility Fund, these shortages are the result of higher costs for motor gas & oil and vehicle maintenance along with the change out of copiers. GF & Tourism ARP Funding, the funds have already been transferred, but the original budget amendment did not account for the actual GL booking of the transfer of funds. General Fund, additional overtime has been incurred and the amount requested covers the additional expenditures along with associated fringe benefits. The increase in salaries comes from the 6-day accrual that will be completed during the year end process.

Introduction item.

**11. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to accept and expend grant funding for the 2022 Local Border Security Program (LBSP). (Finance Director).**

Mrs. Balli stated that this request is to setup the budget for the 2022 Borderstar Grant that was awarded September 13, 2021, for the grant period of September 1, 2021, to August 31, 2022.

Introduction item.

**12. Consider introduction of an ordinance amending the Fiscal Year 2021-2022 Budget to provide additional funding for wastewater utilities and sanitation vehicle maintenance and motor gas and oil. (Public Works Director).**

Mr. Bill Donnell, Public Works Director stated that the request is for additional funding for Wastewater Utilities to cover electrical expenses and sanitation motor gas and oil, and vehicle maintenance to the end of this fiscal year.

Introduction item.

**13. Consider awarding RFP #22-17 Kingsville Police Department Covered Canopies to Rusty Van Fleet Construction Inc., as per staff recommendation, and authorize the City Manager to execute contract for same. (ARP Funds) (Purchasing Manager).**

Mr. Charlie Sosa, Purchasing Manager stated that this item authorizes the City Manager to accept a proposal from Rusty Van Fleet Construction Inc. of Kingsville, Texas for RFP #22-17 for Kingsville Police Department Covered Canopies. Request for Proposal #22-17 was published in the newspaper on August 4, 2022, and August 11, 2022. Proposals were accepted until 2:00 P.M. on August 30, 2022. One response was received from Rusty Van Fleet Construction Inc. The Kingsville Police Department has been in need for the construction of covered canopies to protect vehicles and on-board electronics from the harsh environment. The total amount of \$156,960 will be funded through Fiscal Year 22-23 budgeted ARPA Funds. It is staff's recommendation for the City Manager to accept proposal from Rusty Van Fleet Construction Inc. for RFP #22-17 in the amount of \$156,960.

**Motion made by Commissioner Alvarez to approve the award of RFP #22-17 Kingsville Police Department Covered Canopies to Rusty Van Fleet Construction Inc., as per staff recommendation, and authorize the City Manager to execute contract for same. (ARP Funds), seconded by Commissioner Lopez. The motion**

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

**14. Consider authorizing the use of ARP Funds for Kingsville Police Department Covered Canopies. (Purchasing Manager).**

Motion made by Commissioner Alvarez to authorize the use of ARP Funds for Kingsville Police Department covered canopies, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

**15. Executive Session: Pursuant to Section 551.074, of the Texas Open Meetings Act, the City Commission shall convene in executive session to deliberate the evaluation & duties of the City Manager, City Attorney, and Municipal Court Judge. (Mayor Fugate).**

Mayor Fugate announced the executive session and convened the meeting into closed session at 5:48 P.M.

Mr. Michael Krueger, Municipal Court Judge was called into the executive session at 6:04 P.M. Mr. Krueger came out of executive session at 6:21 P.M.

Ms. Courtney Alvarez, City Attorney was called into the executive session at 6:21 P.M. Ms. Alvarez came out of executive session at 6:31 P.M.

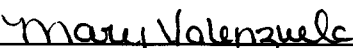
Mr. Mark McLaughlin, City Manager was called into the executive session at 6:31 P.M. Mr. McLaughlin came out of executive session at 6:55 P.M.

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 6:56 P.M.

  
Sam R. Fugate, Mayor

**ATTEST:**

  
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Mary Valenzuela, TRMC, CMC, City Secretary