

# *City of Kingsville, Texas*

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## **AGENDA CITY COMMISSION MONDAY, FEBRUARY 13, 2023 REGULAR MEETING**

**CITY HALL  
HELEN KLEBERG GROVES COMMUNITY ROOM  
400 WEST KING AVENUE  
5:00 P.M.**

**Conference Line call: 1 (415) 655-0001 and  
when prompted type access code: 126 210 9951 #**

**OR**

**Live Videostream: <http://www.cityofkingsville.com/webex>**

### **I. Preliminary Proceedings.**

#### **OPEN MEETING**

**INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)**

**MINUTES OF PREVIOUS MEETING(S)**

Regular Meeting - January 23, 2023

APPROVED BY:



Mark McLaughlin  
City Manager

### **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."*

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

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

#### **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)*

1. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for the sidewalk and ADA ramp improvements for Kleberg and 4<sup>th</sup> Street area. (City Engineer).
2. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for surveying costs for Escondido Road Project. (City Engineer).
3. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for LED lights at the Train Depot and Main Street. (Tourism Director).
4. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for emergency wastewater 8-inch line repair. (Purchasing Manager).
5. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for Chamberlain Park with proceeds from the sale of Kenedy Park. (Purchasing Manager).
6. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for server software. (Finance Director).
7. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for the city manager contract increase. (Finance Director).
8. Motion to approve the reappointment of Norma Sue Adrian to the Health Board for a 3-year term. (Health Director).
9. Motion to approve a resolution authorizing the Mayor to execute the Permission and Indemnity Agreement with the King Ranch, Inc. for the 18<sup>th</sup> Annual Ride on the Wild Side Charity Bike Event. (to be held on April 22, 2023). (City Attorney).

## **REGULAR AGENDA**

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

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

10. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Chapter III-Administration; providing for revision of Article 1-City Commission, Section 10-Agenda. (Commissioner Hinojosa).

11. Consider awarding RFP #23-03 for a Classification, Compensation, and Benefits study as per staff recommendation, and authorizing staff to negotiate a contract for same. (Purchasing Manager).

12. Consider a resolution approving the Agreement for the Defense Economic Adjustment Assistance Grant between the City of Kingsville and the Office of the Governor, Texas Military Preparedness Commission; authorizing the City Manager to execute such agreement. (City Manager).

13. Consider a resolution supporting the Competitive Housing Tax Credit Application of Majestic Villas, Ltd. for an affordable senior citizen rental housing development in Kingsville, Texas. (City Manager).

14. Consider out of state travel for the Mayor and City Manager to Washington, D.C. from February 15-17, 2023 for military preparedness and economic development matters. (Mayor Fugate/ City Manager).

15. Consider out of state travel for the Mayor, City Commissioners, City Manager, and Economic Development Director to Mobile, Alabama from April 20-23, 2023 for christening of USS Kingsville vessel. (Mayor Fugate/ City Manager).

16. Consider out of state travel for the City Commission to New York, New York from July 10-14, 2023 to attend the 40<sup>th</sup> Annual NALEO Conference. (Commissioner Alvarez).

17. Executive Session: Pursuant to Section 551.071, Texas Government Code, Consultation with Attorney Exception, the City Commission shall convene in executive session to seek legal advice from the City Attorney regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter. (City Attorney).

18. 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 Attorney. (Mayor Fugate).

19. Consider approval of compensation adjustment for City Attorney position. (Mayor Fugate).

#### **VII. Adjournment.**

1. No person's comments shall exceed 5 minutes. Cannot be extended by Commission.
2. No person's comments shall exceed 5 minutes without permission of majority of Commission.
3. Comments are limited to 3 minutes per person. May be extended or permitted at other times in the meeting only with 5 affirmative Commission votes. The speaker must identify himself by name and address.
4. Items being considered by the Commission for action except citizen's comments to the Mayor and Commission, no comment at this point without 5 affirmative votes of the Commission.

NOTICE

This City of Kingsville and Community Room are wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's office at 361/595-8002 or FAX 361/595-8024 or E-Mail mvalenzuela@cityofkingsville.com for further information. Braille Is Not Available. The City Commission reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Section 551-071 (Consultation with Attorney), 551-072 (Deliberations about Real Property), 551-073 (Deliberations about Gifts and Donations), 551-074 (Personnel Matters), 551-076 (Deliberations about Security Devices), 551-086 (Certain Public Power Utilities: Competitive Matters), and 551-087 (Economic Development).

I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board located at City Hall, 400 West King Ave, of the City of Kingsville, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time:

February 10, 2023, at 2:30 P.M. and remained so posted continuously for at least 72 hours proceeding the schedule time of said meeting.

Mary Valenzuela  
Mary Valenzuela, TRMC, City Secretary  
City of Kingsville, Texas

This public notice was removed from the official posting board at the Kingsville City Hall on the following date and time: \_\_\_\_\_

By: \_\_\_\_\_  
City Secretary's Office  
City of Kingsville, Texas

# **MINUTES OF PREVIOUS MEETING(S)**

**JANUARY 23, 2023**

**A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JANUARY 23, 2023, 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

**CITY COMMISSION ABSENT:**

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  
Emilio Garcia, Health Director  
Deborah Balli, Finance Director  
Uchechukwu Echeozo, Director of Planning & Development Services  
Charlie Sosa, Purchasing Manager  
Bill Donnell, Public Works Director  
Diana Gonzales, Human Resources Director  
Rudy Mora, Engineer  
Janine Reyes, Tourism Director  
Susan Ivy, Parks Director  
Kobby Agyekum, Senior Planner/HPO  
Bradley Lile, KPD Commander  
George Flores, KPD Commander  
Joseph Ramirez, Engineers Assistant

**I. Preliminary Proceedings.**

**OPEN MEETING**

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

**INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)**

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

**MINUTES OF PREVIOUS MEETING(S)**

**Regular Meeting November 28, 2022**

**Regular Meeting December 12, 2022**

**Regular Meeting January 9, 2023**

**Motion made by Commissioner Lopez to approve the minutes of November 28, 2022, December 12, 2022, and January 9, 2023, as presented, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".**

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

### **1. Public hearing on request to replat 3<sup>rd</sup>, Block 15, Lots 25, 26, 27, & 28, also known as 612 E. Richard Street, Kingsville, Texas. Jonelle Qualia, of MAN MBR, owner/applicant. (Director of Planning & Development Services).**

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

Mr. Uche Echeozo, Director of Planning & Development Services stated that the applicant is requesting this replat to subdivide the property into 2 main lots. Currently, 2 homes are sitting on this property, therefore the applicant would like to separate the property from 1 to 2 lots.

Commissioner Hinojosa stated that the city had stopped construction at one point, according to information within the public hearing packet.

Mr. Echeozo responded that this was correct.

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

There being no further comments Mayor Fugate closed this public hearing at 5:04 P.M.

### **2. Public hearing for the condemnation of unsafe structures located at 314 E. Ella, Kingsville, Texas. (Director of Planning & Development Services).**

Mayor Fugate read and opened this public hearing at 5:05 P.M.

Mr. Kobby Agyekum, Senior Planner/HPO stated that letters of notification were sent out. The property condition report states that this property is not attractive and a nuisance to the children and is a harbor for vagrants and criminal activity. The property is outdated and in need of repairs, collapsed, and deteriorated. Mr. Agyekum stated that it is staff's recommendation to condemn this property.

Mayor Fugate asked if anyone has responded to the notifications that were sent out. Mr. Agyekum responded that three correspondences were mailed which the recipient did receive, with only one correspondence not received. The correspondence was resent and has not been returned yet.

Commissioner Hinojosa commented that notices were sent to the address on these houses, but nobody is living in them, so those receipts are returned to the city. He further asked if the city is okay with that as far as liability goes, and that the city did its due diligence in notifying the owner that the property would be considered for condemnation.

Ms. Alvarez responded yes.

Mayor Fugate asked when the last time property taxes were paid for this property was.

Ms. Alvarez responded that for this property taxes were delinquent from 2013 to 2015, then it looks like some payments were made, then delinquent from 2019 to 2021. Photos show that the exterior wall and roof are severely deteriorated with the property being unsecured. The property is owned by an Estate. Notices of violation and notices of hearing were duly sent to the registered property owner as they appear on the appraisal district records and tax accessor records. Notices were also posted on the property and published in the newspaper, so the state statutory requirements were met.

Mayor Fugate further asked about electricity and water services for this property.

Ms. Alvarez responded that records don't show when those services were last established.

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

There being no further comments Mayor Fugate closed this public hearing at 5:08 P.M.

**3. Public hearing for the condemnation of unsafe structures located at 1108 E. Henrietta, Kingsville, Texas. (Director of Planning & Development Services).**

Mayor Fugate read and opened this public hearing at 5:08 P.M.

Mr. Kobby Agyekum stated that notifications were sent out. Property condition report state that there are two notices of violations for this property. One notice was posted on February 8, 2022, and the second notice was posted on November 18, 2022. No one has responded to the notices. The condition of the property is abandoned, collapsed, and deteriorated and is an attractive nuisance to children and a harbor for vagrants, and criminals, and a nuisance for insects and animals.

Ms. Alvarez stated that notices for this property were property sent as well as postings done, and publication done in the newspaper. Delinquency on taxes is from 2016 to 2021. Photos show that the window and doors are broken, and a neighbor had advised that a homeless had been going in and out of this property. Water and electricity services for this property were last known in 2016.

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

There being no further comments Mayor Fugate closed this public hearing at 5:11 P.M.

**4. Public hearing for the condemnation of unsafe structures located at 1102 E. Henrietta, Kingsville, Texas. (Director of Planning & Development Services).**

Mayor Fugate read and opened this public hearing at 5:11 P.M.

Mr. Kobby Agyekum stated that this property received two notifications on February 8, 2022, and November 18, 2022. The property condition report state that this is an abandoned building and is an attractive nuisance to children and a harbor for vagrants, and criminal and immoral people. The property has evidence of roaches, rats, mice, and other vermin.

Ms. Alvarez stated that photos show trees in and on the building with windows and doors broken. Signs of vagrancy were noted. This property only shows delinquency for 2021. Water services were last on in March 2008 and electricity services last on ten years ago.

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

Commissioner Alvarez stated that the letter of recommendation from staff listed four properties for condemnation, but there are only three being heard and further asked what happened to the fourth one.

Ms. Alvarez responded that there was a notice error on the fourth property on some of the paperwork that was received, so staff will be resending it to two different addresses out of an abundance of caution to make sure that the property owner has every opportunity to receive notice.



There being no further comments Mayor Fugate closed this public hearing at 5:13 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."*

Mr. Mark McLaughlin, City Manager reported that he has spoken with Police Chief Torres and is doing very well and will be returning to the office on Wednesday. He further reported that the pipe burst is completed on General Cavazos by the Quick Quack Car Wash. He also reported that the Kleberg County Commissioners' Court has issued a burn ban for Kleberg County effective today until further notice. He also reported that the Street Department has relocated to the JK Northway Coliseum parking lot to begin that project.

Commissioner Hinojosa asked for staff to give the Commission an update on Hwy 77 and King Avenue for the service station that was to be demolished.

Mr. McLaughlin responded that he would need to get with staff on this. He further stated that this property had already been approved by the Commission through condemnation and thought the owner was to demolish the structure himself but would need to verify this.

Mayor Fugate stated that he would like to know how many properties have been ordered to be demolished by Commission that has not been demolished and why.

Ms. Courtney Alvarez, City Attorney reported that the next city commission meeting is scheduled for February 13, 2023. The deadline for staff to submit their agenda items for the upcoming meeting is February 3, 2023. She further stated that there are two budget amendments for tonight's meeting that from the time the agenda was posted to this morning, staff became aware of it needed to be updated. Updated budget amendments are for items #19 and #21 on tonight's agenda.

Mayor Fugate read two proclamations, one for Black History Month and the other for the Douglas Youth Center Incorporated.

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

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

Mrs. Mary Valenzuela, City Secretary read a public comment submitted by Mrs. Elizabeth Ramos, 615 Elizabeth Ave. The comment read as follows:

Mrs. Elizabeth Ramos, 615 Elizabeth Ave. Good afternoon council, I would like to propose that the city council and Mayor put on an agenda in the near future a subject about the Kingsville, "Street Improvement Plan." This plan is located on the city's website. After talking to the city engineer director and the secretary of the public works director I have been aware of a list that contains the road I live on, Elizabeth Ave, which has been put on the street improvement plan but has not been updated online. I have requested public records for proof of this list with my street name on it. I am waiting, but between now and the time I receive them you should understand that the current street improvement plan, needs improvement. I am disappointed to see Hoffman Ave repaved before other roads in worse conditions in town. This road is located right next to the County Judge, Rudy Madrid's business. The courthouse is also next to be in line for improvement but is not as atrocious in condition as other city roads. To the public, this looks like the city is rubbing shoulders with the good ol' boys club making roads nice for them and visitors. Visitors don't pay extra on a water bill they do not get nor pay city taxes from home ownership that go into the general fund to spend on city roads. I have taken it upon myself to visit the roughly 15 roads up for improvement next to be fixed and realized that 14 are in better condition than Elizabeth Ave, one has already been repaved by Jubilee school, and only one that needs to be done prior to Elizabeth Ave; W Kenedy between Latana and Armstrong. I know the city council loves a good parade, so I beg of you to parade your way down the 15-plus roads up next to be fixed, then enjoy the lovely experience of driving down Elizabeth Ave. I have already tallied up the taxes paid and street improvement fees for Elizabeth Ave and also for the surrounding roads up for improvement and we pay far more in taxes and our road is falling apart, literally. The mayor should understand this as we walk this road weekly. As I was driving around looking at the condition of those 15 roads, I drove on roads that need to be done prior to what's on the list and after Elizabeth Ave. Please take in consideration the street audit done in 2017 as it no longer matches the current needs of many streets in Kingsville that are far worse than Hoffman, city hall roads, and the roughly 15 up next to be fixed.

Mrs. Valenzuela stated that for clarification purposes, Mrs. Elizabeth Ramos submitted a second email requesting edits to her original public comment. Mrs. Ramos requested that the word city hall be changed to the courthouse, but as there are areas within the public comment that state city hall, she was not sure which of the two needed to be changed.

V.

### **Consent Agenda**

### **Notice to the Public**

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### **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: Alvarez, Lopez, Hinojosa, Fugate voting "FOR".**

1. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to accept and expend donation from the 81's Heroes Foundation for Police Department equipment. (Police Chief).
2. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to accept and expend Criminal Justice Grant #4615001 for Police Department ballistic shields. (Police Chief).
3. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for the rollover expenditure for engineered wood fiber for Park playgrounds. (Parks Director).
4. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for golf course improvements. (Parks Director).
5. Motion to approve final passage of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate additional funding for a new administrative coordinator position for Tourism. (switch PT to FT position). (Tourism Director).
6. Motion to approve a resolution authorizing the City of Kingsville to continue participation in the Texas Main Street Program, authorizing the City Manager to execute the Texas Main Street Locally Designated Program 2023 Contract, and designating Downtown Manager Alicia Tijerina as the Main Street Program Manager for the City of Kingsville to coordinate program activities. (Tourism Director).
7. Motion to approve a resolution authorizing participation in Local Border Security Program FY2024 from the Office of the Governor, Public Safety Office Homeland Security Grants Division for law enforcement personnel costs, fuel, and equipment; authorizing the Chief of Police to act on the City's behalf with such program. (Police Chief).

## REGULAR AGENDA

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

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

8. Consider request to replat 3<sup>rd</sup>, Block 15, Lots 25, 26, 27, & 28, also known as 612 E. Richard Street, Kingsville, Texas. (Director of Planning & Development Services).

Motion made by Commissioner Alvarez to approve the request to replat 3<sup>rd</sup>, Block 15, Lots 25, 26, 27, & 28, also known as 612 E. Richard Street, Kingsville, Texas, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Hinojosa, Alvarez, Fugate voting "FOR".

9. Consider the condemnation of unsafe structures located at 314 E. Ella, Kingsville, Texas. (Director of Planning & Development Services).

Motion made by Commissioner Alvarez stating motion finding not able to repair, building or structure is unsafe and present condition is a violation of ordinances and cannot be corrected without substantial reconstruction, then declare the building or structure to be a public nuisance and order its demolition by owner/agent/person in charge within 30 days, the city shall abate in any manner it deems necessary and proper, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

**10. Consider the condemnation of unsafe structures located at 1108 E. Henrietta, Kingsville, Texas. (Director of Planning & Development Services).**

Motion made by Commissioner Lopez stating motion finding not able to repair, building or structure is unsafe and present condition is a violation of ordinances and cannot be corrected without substantial reconstruction, then declare the building or structure to be a public nuisance and order its demolition by owner/agent/person in charge within 30 days, the city shall abate in any manner it deems necessary and proper, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Lopez, Hinojosa, Fugate voting "FOR".

**11. Consider the condemnation of unsafe structures located at 1102 E. Henrietta, Kingsville, Texas. (Director of Planning & Development Services).**

Motion made by Commissioner Alvarez stating motion finding not able to repair, building or structure is unsafe and present condition is a violation of ordinances and cannot be corrected without substantial reconstruction, then declare the building or structure to be a public nuisance and order its demolition by owner/agent/person in charge within 30 days, the city shall abate in any manner it deems necessary and proper, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Hinojosa, Alvarez, Fugate voting "FOR".

**12. Consider authorizing use of ARPA Funds for ADA sidewalk and ramp improvements at W. Kleberg and S. 4<sup>th</sup> Street. (City Engineer).**

Mr. Rudy Mora stated that this budget amendment is needed to cover an extension of ADA sidewalks and ramps in the Downtown District. The project is around First Baptist Church located at 312 W. King Ave. The scope of work includes 50 feet of 5-foot-wide sidewalks and 2 concrete ramps. The ramps will be located at the intersection of W. Kleberg and S. 4<sup>th</sup> Street. The American Rescue Plan Act fund will cover the cost of \$8,150.

Motion made by Commissioner Lopez to authorize use of ARPA Funds for ADA sidewalk and ramp improvements at W. Kleberg and S. 4<sup>th</sup> Street, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".

**13. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for the sidewalk and ADA ramp improvements for Kleberg and 4<sup>th</sup> Street area. (City Engineer).**

Introduction item.

**14. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for surveying costs for Escondido Road Project. (City Engineer).**

Mr. Mora stated that this includes approximately a 17-foot wide by 3,720-long right-of-way acquisition and establishing the existing right-of-way for proposed improvements along Escondido Road between 6<sup>th</sup> Street and Brahma Blvd or FM 1717. The improvements will consist of 2 11-foot wide dedicated center turning lanes, 5-foot wide sidewalks on both north and south of road, a 5-foot wide bike lane in each direction, proposed lighting, relocation of mailboxes, and relocation of fire hydrants. This will help prevent head-in parking along the south side of E. Escondido Road next to Dick Kleberg Park. The general fund will allocate \$12,000 to cover surveying costs.

Commissioner Hinojosa asked if staff went out for a Request for Qualification (RFQ). He further stated that \$12,000 is a bit much for him for this area.

Mr. Mora responded that staff asked for 3 different quotes for professional services, and this was the lowest quote received.

Mr. McLaughlin commented that this is a good price as he thought it would have been twice the amount. He further stated that this is the entire length from 6<sup>th</sup> Street to 14<sup>th</sup> Street, about 88 feet wide.

Commissioner Hinojosa further stated that the reason he thinks it's a high amount is that they just sold a piece of property in Jim Hogg County and they didn't pay \$12,000. They had to survey 200 acres in that area and paid \$3,000.

Mr. McLaughlin commented that it is a lot of private property and needs to insure where all the private property stakes are, which is a lot for this.

Ms. Alvarez commented that you must locate the utility lines as well.

Introduction item.

**15. Consider a resolution authorizing the Mayor to execute an Advance Funding Agreement (AFA) with the Texas Department of Transportation for a Transportation Alternatives Set-Aside (TASA) Program Project. (for pedestrian, sidewalks & curb ramp improvements). (City Engineer).**

Mr. Mora stated that on January 9, 2023, the city received an Advanced Funding Agreement for pedestrian and bicyclist improvements along S. Armstrong Street, W. Johnston Avenue, and W. Caesar Ave. The Texas Transportation Commission passed a Minute Order No. 116126 awarding funding for this project on October 28, 2021. The project's federal funding is \$1,248,093 and the state funding is \$46,660 for a total project cost of \$1,295,093. No city match is required. The city will be responsible for any cost overruns on the project. Mr. Mora stated that it is staff's recommendation to approve the Advanced Funding Agreement for a Transportation Alternatives Set-Aside Program Project and authorize the Mayor to sign the agreement.

**Motion made by Commissioner Alvarez to approve the resolution authorizing the mayor to execute an Advance Funding Agreement (AFA) with the Texas Department of Transportation for a Transportation Alternatives Set-Aside (TASA) Program Project. (for pedestrian, sidewalks & curb ramp improvements), seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".**

**16. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for LED lights at the Train Depot and Main Street. (Tourism Director).**

Ms. Janine Reyes, Tourism Director stated that on September 12, 2022, the Commission approved the acceptance of a donation from Keep Kingsville Beautiful for improvements in the downtown area. Part of those, the painting of the depot and fixing up around the depot area was paid for last year. However, the lights did not come in and get paid for until October 31, 2022. It is being requested that the funds that were placed in the fund balance be brought back to offset the expenses that were paid this fiscal year.

Introduction item.

**17. Consider authorizing use of ARP funds for Parks Revenue Replacement Projects and funding set aside for lighting projects. (Parks Director).**

Mrs. Susan Ivy, Parks Director stated that there are two batches of ARPA funds for the Parks Department. One of them is a revenue replacement which totaled originally about \$93,000 and has spent some of these funds. There is a remaining balance of

\$37,191.36. Staff is asking for approval to use these funds for mowers for \$22,000, red dirt for \$3,000, ball field lighting for \$10,000, and landscape timbers surrounding the new swing set at Corral Park for \$2,191.36. She further stated that she would like to make sure that we are clear on where the funding is coming from for the lighting project that was just approved. She further stated that would like to clarify that for this project, \$25,000 is going to be used for the Brookshire Grant that was received, \$25,000 from the Ed Rachal Grant, \$10,000 from ARP Funds 121, and \$250,000 ARP Fund lighting project fund 121-59113. She further stated that staff would like to use these funds first so that they are aware that the grant funds are being used.

Commissioner Hinojosa commented that he would like to commend the City Manager and staff for their due diligence on how ARPA Funds are being spent.

**Motion made by Commissioner Alvarez to authorize the use of ARP funds for Parks Revenue Replacement Projects and funding set aside for lighting projects, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alvarez, Lopez, Fugate voting "FOR".**

**18. Consider a resolution authorizing the Mayor to execute an Agreement for Grant Administration Services for Mitigation Services under the U.S. Department of Housing and Urban Development Community Development Block Grant Program between the City of Kingsville and Langford Community Management Services. (CDBG-MIT-MOD). (Purchasing Manager).**

Mr. Charlie Sosa, Purchasing Manager stated that this item authorizes the City to negotiate a contract with Langford Community Management Services, for Administration services for the CDBG-MIT Regional Mitigation Program's Method of Distribution Development GLO Grant for the City of Kingsville. He further stated that staff published a Request for Proposals #23-01 in the newspaper on December 1, 2022, and December 8, 2022. Responses were accepted until 2:00 PM on December 13, 2022. Two responses were received from Grant Works of 2201 Northland Drive Austin Texas, 78756, and Langford Community Management Services of 9017 W. HWY. 29, Ste. 206, Liberty Hills, Texas 78642. Staff reviewed the responses received and found the information received to be responsive. The CDBG-MIT Regional Mitigation Program's Method of Distribution Development GLO Grant Selection Review Committee reviewed qualifications and scored the two firms based on the Administration/Professional Service Rating Sheet provided by the CDBG MIT-MOD Procurement Checklist. The firms were scored based on a point evaluation system. Based on the scoring by the Committee, the highest ranked firm was Langford Community Management Services of 9017 W. HWY. 29, Ste. 206, Liberty Hills, Texas 78642, and determined to be the most highly qualified provider based on the Administration/Professional Service Rating Sheet. The CDBG-MIT Regional Mitigation Program's Method of Distribution Development GLO Evaluation Committee recommends Langford Community Management Services for the City of Kingsville Grant Administration Services. Mr. Sosa further stated that it is recommended that the City Commission: 1) award the Grant Administration services RFP 23-01 to Langford Community Management Services and 2) authorize staff to negotiate a contract with Langford Community Management Services of 9017 W. HWY. 29, Ste. 206, Liberty Hills, Texas 78642 Grant Administration Services for the City of Kingsville in the event the City is successful in receiving CDBG-MIT Regional Mitigation Program's Method of Distribution Development GLO Grant funding awarded to the City, and that will be brought back to the City Commission for approval at a future meeting.

**Motion made by Commissioner Lopez to approve this resolution authorizing the Mayor to execute an Agreement for Grant Administration Services for Mitigation Services under the U.S. Department of Housing and Urban Development**

Community Development Block Grant Program between the City of Kingsville and Langford Community Management Services. (CDBG-MIT-MOD), seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Lopez, Hinojosa, Fugate voting "FOR".

**19. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for emergency wastewater 8-inch line repair. (Purchasing Manager).**

Ms. Alvarez commented that this was under a Texas Department of Transportation (TxDOT) road which would have degraded General Cavazos; it was 11 feet deep. She explains this so that the public will be aware of why the cost was so high.

Introduction item.

**20. Consider a resolution accepting the bid and authorizing staff to proceed with the sale of the City's real property known as Kenedy Park located off 14<sup>th</sup> Street and East Kenedy Street (5<sup>th</sup> Addition, Block 4, Lots 17-32 & E 40' of abandoned S. 13<sup>th</sup> St.) in Kingsville, Texas. (Purchasing Manager).**

Mr. Sosa stated that this authorizes the City Manager to sign a contract for the sale of the Kenedy Park property located on the corner of 14<sup>th</sup> and Kenedy. The total amount of the sale will be \$395,000.00 of which \$28,476.00 will pay for attorney's fees and listing/selling agent. The net amount to the city is \$366,524.00.

Mr. McLaughlin commented that this is a great start for Chamberlain Park.

**Motion made by Commissioner Lopez to approve the resolution accepting the bid and authorizing staff to proceed with the sale of the City's real property known as Kenedy Park located off 14<sup>th</sup> Street and East Kenedy Street (5<sup>th</sup> Addition, Block 4, Lots 17-32 & E 40' of abandoned S. 13<sup>th</sup> St.) in Kingsville, Texas, seconded by Commissioner Alvarez.**

Mayor Fugate gave a brief history of the park. He stated that this land was donated to the City of Kingsville by the King Ranch after 1944. The year 1944 was the magic year for them, anything after that year the King Ranch would retain an interest in. Some of the old properties in town have some type of reversions. In the negotiations with the King Ranch, they have agreed to not enforce their reverter clause that these proceeds go back to them if the property is not used as a park any longer. It is the understanding that funds from this sale will be used for the Chamberlain Park project.

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

**21. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for Chamberlain Park with proceeds from the sale of Kenedy Park. (Purchasing Manager).**

Introduction item.

**22. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for server software. (Finance Director).**

Mr. Kyle Benson, IT Manager stated that the City of Kingsville is currently running Microsoft 2012R2 for all its servers. Several key services related to city email and security are being discontinued for 2012R2 next month. General support for 2012R2 will end in October 2023. Due to Microsoft's licensing, all servers will require relicensing to be compliant. This budget amendment was originally going to be brought during the

budget process for Fiscal Year 23-24 as we were told that the current software would end on October 10, 2023, but staff decided not to wait until the last minute.

Introduction item.

**23. Consider introduction of an ordinance amending the Fiscal Year 2022-2023 Budget to appropriate funding for the city manager contract increase. (Finance Director).**

Mrs. Deborah Balli, Finance Director stated that this budget amendment is for the increase due to the contract negotiations for the City Manager. This also includes the expenditures that go along with the increase.

Introduction item.

**24. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter III-Administration, providing for revision of Article 1-City Commission, Section 10-Agenda. (Commissioner Hinojosa).**

Commissioner Hinojosa stated that the reason he is reconsidering this amendment is that back in 2018 or 2019, we kept bringing back an item that kept failing. He stated that they got tired of it so this ordinance was initiated stating that items that failed could not be brought back for 180 days from the date they failed. He further stated that looking at it strapped the Commission, case in point, would have been in the budget. Commissioner Hinojosa further stated that if Commissioner Alvarez had not voted yes for the budget, the city would have kept last year's budget, as the vote would have failed if Commissioner Alvarez would have voted no, and the item would not be able to be brought back until after 180 days. He further stated that maybe the timeframe needs to be adjusted from 180 days to 30 days or eliminate completely. He stated that this is a bad policy and he and the Commission are tired of an agenda item being brought back to them multiple times after failing over and over.

Introduction item.

**25. Executive Session: Pursuant to Section 551.071, Texas Government Code, Consultation with Attorney Exception, the City Commission shall convene in executive session to seek legal advice from the City Attorney regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter. (City Attorney).**

Mayor Fugate read and convened the meeting into executive session at 5:49 P.M.

Mayor Fugate convened the meeting into open session at 5:57 P.M.

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 5:58 P.M.

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Sam R. Fugate, Mayor

**ATTEST:**

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Mary Valenzuela, TRMC, CMC, City Secretary



# **AGENDA ITEM #1**

# **CONSENT AGENDA**

Budget Am.

**City of Kingsville  
Engineering Dept.**

TO: Mayor and City Commissioners  
CC: Mark McLaughlin, City Manager  
FROM: Rutilio P. Mora Jr, P.E., City Engineer  
DATE: January 23, 2023  
SUBJECT: Consider introduction of an ordinance amending the Fiscal Year 2022-2023 budget to cover Downtown Improvements for American with Disabilities Act (ADA) sidewalks and ramps.

---

**Summary:**

The Budget Amendment is needed to cover an extension of ADA sidewalks and ramps in the Downtown District. The project is around First Baptist Church 312 W. King Avenue. The scope of work includes 50 feet of 5-foot-wide sidewalks and 2 concrete ramps. The ramps will be located at the intersection of W. Kleberg and S. 4<sup>th</sup> Street.

**Financial Impact:**

The American Rescue Plan Act (ARPA) fund will cover the costs of \$8,150.00.

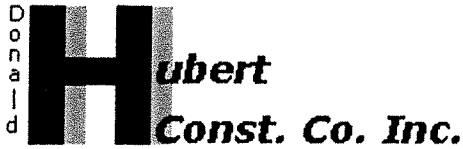
**Recommendation:**

Staff recommends approval of the Budget Amendment.

**Attachments:**

Ordinance No. 2023-\_\_\_\_  
Bid Proposal  
Exhibit of Proposed Work





P.O.Box 84, Kingsville, TX 78364  
(361) 592-9593 Fax (361) 595-0998  
E-mail: dhubertco@sbcglobal.net

January 5, 2023

City of Kingsville  
Kingsville, Texas 78363

Attn: Joseph Ramirez

Re: Bid Proposal  
Construct New ADA Curb Ramp and Sidewalk  
Kleberg Ave and 4<sup>th</sup> St.  
City of Kingsville, Texas

Mr. Ramirez:

Donald Hubert Const. Co. Inc. respectfully submits the following bid proposal:

Scope of work: Furnish all labor, material, tools, equipment, supervision,  
transportation and insurance necessary to:

- Excavate, Grade and Construct new 5'x 26'x 4" sidewalk
  - Excavate, Grade and Construct new 5'x 24'x 4" sidewalk
- Demo existing Concrete at Corner, app. 145 sq ft  
Construct 2 ea. concrete curb ramps, and 1 ea. 5'x 5' concrete landing, tie-in to  
existing concrete curbs.

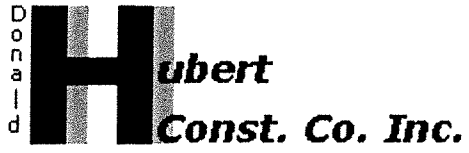
**Total Bid: \$ 8,150.00**

If you should have any questions, please call Donnie Hubert at (361)592-9593 or  
mobile at (361)675-0558.

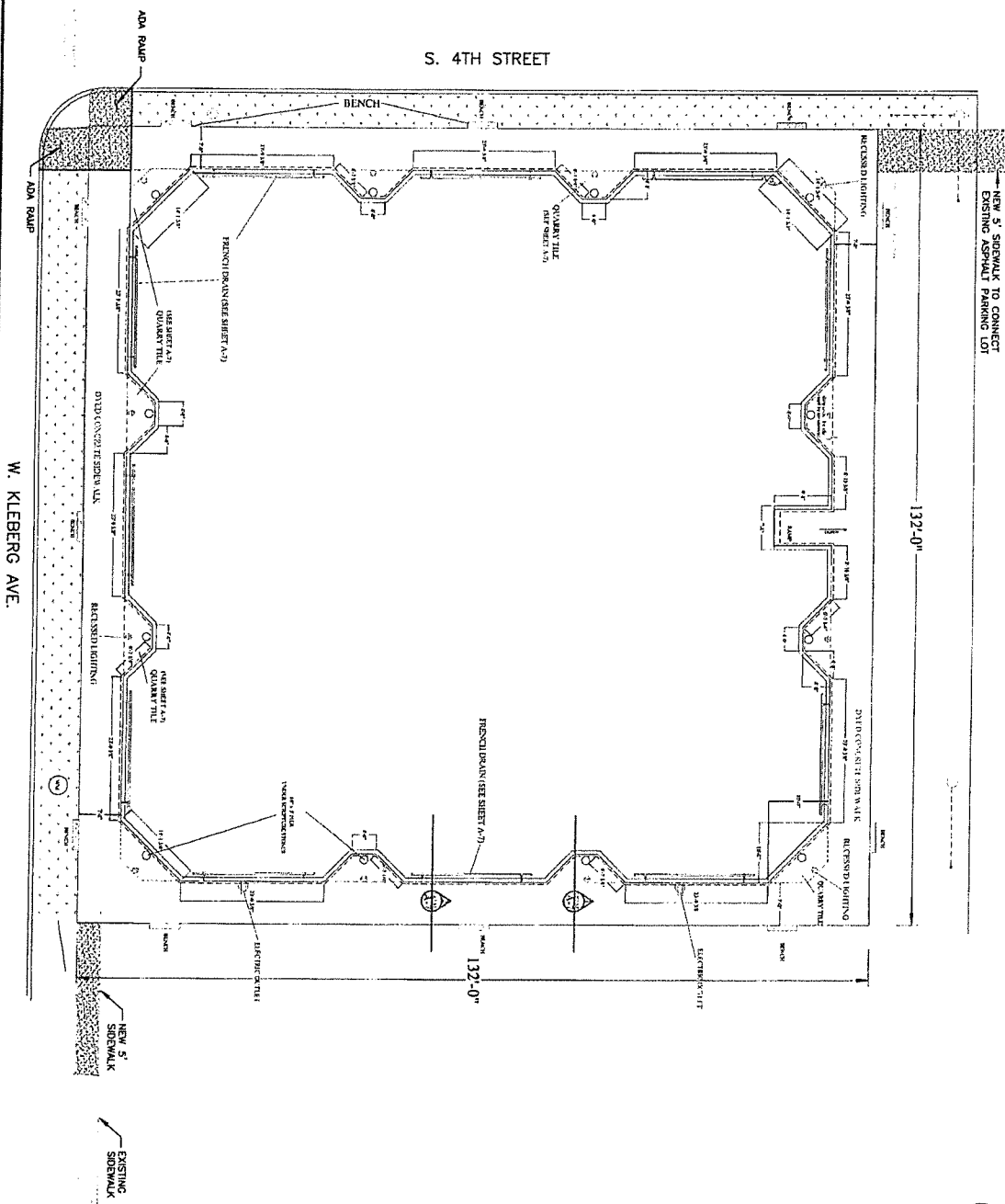
Thank you,

A handwritten signature in black ink, appearing to read "Donald Hubert".

Donald Hubert  
President  
Donald Hubert Const. Co. Inc.



P.O.Box 84, Kingsville, TX 78364  
(361) 592-9593 Fax (361) 595-0998  
E-mail: [dhubertco@sbcglobal.net](mailto:dhubertco@sbcglobal.net)



**FIRST BAPTIST CHURCH**  
**312 WEST KING**

SCALE: 1/8" = 1 FOOT  
 DATE: 1/22/22  
 DRAWN BY: RANDY MALTBY  
 REVISED:  
 FOUNDATION, ELECTRICAL  
 TILE & DRAINAGE LAYOUTS

**A-6**

**MALTBY BUILDERS INC.**  
 1030 E. AVE. D 361-592-8426 KINGSVILLE, TX.

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR THE SIDEWALK AND ADA RAMP IMPROVEMENTS FOR KLEBERG AND 4<sup>TH</sup> STREET AREA.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#28

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 121 – GF ARP Funding</b>					
<u>Expenditures</u>					
1030	City Special	Professional Services	31400	\$8,150	

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for the sidewalk and ADA ramp improvements at the Kleberg Ave. and 4<sup>th</sup> Street area. Funding will come from the committed broadband funding in Fund 121.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:** \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney



## **AGENDA ITEM #2**

**City of Kingsville  
Engineering Dept.**

TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager

FROM: Rutilio P. Mora Jr, P.E., City Engineer

DATE: January 23, 2023

SUBJECT: Consider introduction of an ordinance amending the Fiscal Year 2022-2023 budget to cover Professional Surveying Services for E. Escondido Road Right of Way (ROW) and Proposed ROW Acquisition.

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**Summary:**

The Budget Amendment will be allocated for Professional Services for Surveying establishing existing Right of Way (ROW) and proposed ROW Acquisition

Project includes an approximate 17' wide x 3,720' long ROW Acquisition and establishing the existing ROW for proposed improvements for 2-11 feet wide travel lanes in each direction, 11 feet wide dedicated center turning lane, 5 feet wide sidewalks on both north & south of road, 5 feet wide bike lane in each direction, proposed lighting, relocation of mailboxes and relocation of fire hydrants. This will help prevent head in parking along the south side of E. Escondido Road next to Dick Kleberg Park.

**Financial Impact:**

The General Fund will allocate \$12,000.00 to cover surveying costs.

**Recommendation:**

Staff recommends approval of the Budget Amendment.

**Attachments:**

Ordinance No. 2023-\_\_\_\_\_

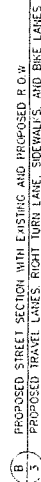
Exhibit of Proposed E. Escondido Road Improvements



**E. ESCONDIDO RD. - S. 6TH ST. TO S. 14TH ST.**

Scale: AS NOTED

4001 WEST KEMP  
Kingsville, Texas 78363  
Office 361.595.8007  
Fax 361.595.8035



CONTRACT FOR PROFESSIONAL SERVICES

This Agreement, entered into at Kingsville, Texas, on \_\_\_\_\_, 2023,

By and between the City of Kingsville, hereinafter called the "client," and

WILLIAM DOVE & ASSOCIATES, LLC., hereinafter called the "surveyor," is as follows:

The client intends to: acquire additional Right-of-Way along E. Escondido Road between S. 14<sup>th</sup> Street and 6<sup>th</sup> Street (US Bus 77). The Length of the Road is around 3,720 linear feet. The existing Right-of-Way varies and cannot accommodate road improvements, including widening the road and sidewalks, etc. The client estimates that the total width along the entire length will need to be 80 feet.

The client and the consultant, for mutual consideration hereinafter set forth, agree as follows:

A. Surveyor agrees to perform the following services: Perform a Survey of the Existing Right-of-Way which will include visible utilities and improvements within said Right-of-Way as well as Easements which adjoin the Right-of-Way; Surveyor will plot underground utilities based on utility maps provided by the Client and referenced to surface structures which will be located by the Surveyor; The Surveyor will locate existing monuments and set monuments as necessary to establish the boundary of the existing Right-of-Way; The Survey will be presented on 24" x 36" sheets at the most convenient scale (most likely 1"= 50 ft.); State Plane Coordinates will be shown for all boundary monuments shown on the Drawing as well as monumented control points not less than every 1000 feet over the length of the project; Coordinates will be established by the Survey by the RTK (real time kinematic) method, using a network system; Necessary Right-of-Way Acquisition determined by the Client will be researched by the Surveyor from Tax Maps and the indicated Deeds from those Maps shown on the Drawing. Metes and Bounds Descriptions for the Right-of-Way Acquisition will be prepared by the Surveyor.

B. Client agrees to compensate consultant for such services as follows:

Lump Sum Amount of: \$12,000.00

IN WITNESS HEREOF, the parties hereto have accepted, made and executed this agreement upon the terms, conditions, provisions above stated and on the exhibits attached hereto, the day and the year first above written.

This contract super cedes any prior agreement, either expressed or implied, oral or written.

Surveyor: William Dove & Associates, LLC.

Client: City of Kingsville, Texas

Firm No. 10078300

111 Knoll Trail

Sandia, Texas 78383

Phone (361) 547-9665

Phone (361) 595-8007

By:  \_\_\_\_\_

By: \_\_\_\_\_

Name: William Douglas Dove

Name: \_\_\_\_\_


Title: President

Title: \_\_\_\_\_

STANDARD PROVISIONS OF CONTRACT FOR PROFESSIONAL SERVICES

The Client and Surveyor agree that the following provisions shall be part of their agreement:

1. All fees and other charges will be billed at completion and shall be due at time of billing.
2. A late payment PENALTY OF (.83%) per month which is an annual rate of ten per cent, (10%) shall be applied to any unpaid balance, commencing thirty (30) days after the date of original Invoice.
3. In the event that any staking is destroyed by an act of God or parties other than the Surveyor, The cost of re-staking shall be paid by client as extra work, provided such work is authorized by client.
4. In the event all or any portion of the work prepared by the Surveyor be suspended, abandoned, or terminated, the client shall pay the Consultant for all fees, charges, and services provided for the project, not to exceed any contract limit here-in.

Surveyor: 

Client:

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR SURVEYING COSTS FOR ESCONDIDO ROAD PROJECT.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#26

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 001 – General Fund</b>					
<u>Expenditures</u>					
1030	City Special	Professional Services	31400	\$12,000	
1030	City Special	Budget Amendment Reserve	86000		\$12,000

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for surveying costs for Escondido Road Project. Funding will come from the Budget Amendment Reserve line item in the City Special Division of General Fund.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:**\_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

# **AGENDA ITEM #3**





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P. O. BOX 1458 - KINGSVILLE, TEXAS 78364

**Date:** January 11, 2023

**To:** City Commission via City Manager Mark McLaughlin

**CC:** Courtney Alvarez, City Attorney and Mary Valenzuela, City Secretary

**From:** Janine Reyes, Director of Tourism Services

**Summary:** On September 12, 2022, the Kingsville City Commission approved accepting a donation from Keep Kingsville Beautiful in the amount of \$11,374. The funds were donated to cover the following expenses:

- Increase in materials at the Train Depot: \$3,263.00
- Ceiling and planter painting: \$3,265.00
- LED lights for Train Depot and Main Street: \$4,819.00

While the Train Depot work was completed and paid for in Fiscal Year 2021-22, the LED lights for the Train Depot and Kingsville Main Street were not ordered and paid for until October 31, 2022. As a result, the funds collected from Keep Kingsville Beautiful dropped into the Tourism Fund Balance.

In order to correct a deficit created by payment for the lights out of the Fiscal Year 2022-23 budget, Tourism is requesting \$4,368.80 be moved from the Tourism Fund Balance to the Grounds and Permanent Fixtures line item (002-5-1071-59100) to offset expenses that were paid this fiscal year.

**Financial Impact:** This will decrease the Tourism Fund Balance by \$4,368.80. The donation was received and deposited and what was not expended last year contributed to the Tourism Fund Balance.

**Recommendation:** Staff recommends Commission approve this budget amendment.

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR LED LIGHTS AT THE TRAIN DEPOT AND MAIN STREET.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#24

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 002 - Tourism Fund</b>					
<u>Expenditures</u>					
1071	Tourism	Grounds & Perm Fixtures	59100	\$4,368.80	

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for LED lights at the Train Depot and Main Street. Funding will come from the unappropriated fund balance for the Tourism Fund.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:** \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

# **AGENDA ITEM #4**

**City of Kingsville  
Purchasing Department**

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TO: Mayor and City Commissioners  
CC: Mark McLaughlin, City Manager  
FROM: Charlie Sosa, Purchasing Manager  
DATE: January 17, 2023  
SUBJECT: Emergency 8" Wastewater Main Line Repair

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**Summary:**

This item authorizes the City Manager to execute a contract and approve emergency repairs with Bridges Specialties Inc., 4233 FM 624 Robstown, Texas 78380 to repair an eight-inch wastewater main crossing General Cavazos roadway.

**Background:**

The existing eight-inch clay wastewater main collapsed posing a threat to the General Cavazos roadway. Wastewater Department was called out to investigate a backage at the 800 block of General Cavazos, upon the investigation the crew discovered the 8" clay line had collapsed under General Cavazos roadway at a depth of approximately 11 foot and was no longer flowing. The location and depth necessitated an emergency repair by a qualified third party. Bridges Specialties Inc. was able to mobilize and repair the emergency 8" clay line using a Pipe Burst method type of repair. Please see attached Proposal and breakdown of costs associated with repair.

**Financial Impact:**

Funds are available through 051-5-7001-86000 Utility Fund Budget Amendment Reserve, of which \$150,000.00 are budgeted this fiscal year, the total amount of project is \$84,500.00.

**Recommendation:**

It is recommended for the City Commission authorize the City Manager to execute a contract and approve emergency repairs with Bridges Specialties Inc., 4233 FM 624 Robstown, Texas 78380 to repair an eight-inch wastewater main crossing General Cavazos in the amount of \$84,500.00. It is also recommended the City Commission approve a budget amendment for the emergency wastewater main line repairs.





City of Kingsville, TX

# Budget Report

## Account Summary

For Fiscal: 10/2022-09/2023 Period Ending: 01/31/2023

Fund: 051 - UTILITY FUND		Expense		Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
051-5-7001-4100	Salaries & Wages	352,435.00	352,435.00	14,007.87	82,814.87	0.00	269,620.13	76.50 %		
051-5-7001-4200	Overtime	18,050.00	18,050.00	775.75	5,458.68	0.00	12,591.32	69.76 %		
051-5-7001-4300	Longevity - Non Civil Service	5,295.00	5,295.00	193.83	1,272.42	0.00	4,022.58	75.97 %		
051-5-7001-4400	Retirement - TMRS	30,829.00	30,829.00	1,232.90	7,278.87	0.00	23,550.13	76.39 %		
051-5-7001-4500	FICA	28,973.00	28,973.00	1,075.33	6,444.56	0.00	22,528.44	77.76 %		
051-5-7001-4600	Group Health Insurance	106,227.00	106,227.00	5,403.03	31,185.55	0.00	75,041.45	70.64 %		
051-5-7001-4700	Workers' Compensation	6,220.00	6,220.00	0.00	1,208.69	0.00	5,011.31	80.57 %		
051-5-7001-4800	Unemployment Compensation	2,274.00	2,274.00	15.11	22.95	0.00	2,251.05	98.99 %		
051-5-7001-4900	Certification Pay	2,950.00	2,950.00	113.12	743.36	0.00	2,206.64	74.80 %		
051-5-7001-5000	Life Insurance	780.00	780.00	57.34	199.46	0.00	580.54	74.43 %		
051-5-7001-5100	Supplies	4,300.00	4,300.00	0.00	701.51	0.00	3,598.49	83.69 %		
051-5-7001-5200	Uniforms & Personal Wear	2,020.00	2,020.00	0.00	235.41	0.00	1,784.59	88.35 %		
051-5-7001-5300	Chemicals	210,000.00	210,000.00	2,742.00	127,115.96	75,440.00	7,444.04	3.54 %		
051-5-7001-5400	Motor Gas & Oil	14,500.00	14,500.00	0.00	6,307.44	0.00	8,192.56	56.50 %		
051-5-7001-5500	Minor Eq/Furniture	2,900.00	2,900.00	0.00	1,034.46	0.00	1,865.54	64.33 %		
051-5-7001-5600	Lab Supplies/Chemicals	15,500.00	15,500.00	0.00	1,577.86	317.50	13,604.64	87.77 %		
051-5-7001-5700	Medical Supplies	260.00	260.00	0.00	0.00	0.00	260.00	100.00 %		
051-5-7001-5800	Communications	7,836.00	7,836.00	495.85	2,565.82	0.00	5,270.18	67.26 %		
051-5-7001-5900	Postage & Freight	280.00	280.00	0.00	0.00	0.00	280.00	100.00 %		
051-5-7001-6000	Professional Services	92,200.00	92,200.00	276.50	5,609.50	65,163.13	21,427.37	23.24 %		
051-5-7001-6100	Prof. Services-GPS	192.00	192.00	0.00	64.00	128.00	0.00	0.00 %		
051-5-7001-6200	Prof Svcs - Audit Services	12,688.00	12,688.00	0.00	645.27	11,647.52	395.21	3.11 %		
051-5-7001-6300	Printing & Publishing	200.00	200.00	0.00	0.00	0.00	200.00	100.00 %		
051-5-7001-6400	Training & Travel	3,950.00	3,950.00	0.00	390.00	0.00	3,560.00	90.13 %		
051-5-7001-6500	Memberships & Dues	520.00	520.00	0.00	0.00	0.00	520.00	100.00 %		
051-5-7001-6600	Equipment Rent	1,900.00	1,900.00	0.00	175.32	0.00	1,724.68	90.77 %		
051-5-7001-6700	Catering	1,098.00	1,098.00	0.00	311.60	0.00	786.40	71.62 %		
051-5-7001-6800	State Fees	20,928.00	20,928.00	0.00	20,027.67	0.00	900.33	4.30 %		
051-5-7001-6900	Utilities	240,300.00	240,300.00	0.00	37,252.98	0.00	203,047.02	84.50 %		
051-5-7001-7000	Laundry	3,465.00	3,465.00	0.00	561.49	0.00	2,903.51	83.80 %		
051-5-7001-7100	Insurance-Property/Liability	56,226.00	56,226.00	0.00	9,150.42	0.00	47,075.58	83.73 %		
051-5-7001-7200	Vehicle Maintenance	5,000.00	5,000.00	0.00	1,650.94	0.00	3,349.06	66.98 %		
051-5-7001-7300	Equipment Maintenance	2,500.00	2,500.00	0.00	1,212.25	662.44	625.31	25.01 %		
051-5-7001-7400	Utility Plant	100,000.00	100,000.00	0.00	548.12	22,324.22	77,127.66	77.13 %		

**Budget Report**

For Fiscal: 10/2022-09/2023 Period Ending: 01/31/2023

051-05-7001-6500  
051-05-7001-6500

Sewer Line  
Budget Amendment Reserve

	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance		Percent Remaining
						Favorable (Unfavorable)		
	100.00	100.00	0.00	25.20	0.00	74.80		74.80 %
	150,000.00	150,000.00	0.00	0.00	84,500.00	65,500.00		43.67 %
Expense Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56		59.15 %
Fund: 051 - UTILITY FUND Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56		59.15 %
Report Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56		59.15 %

Group Summary

Account Type  
Fund: 051 - UTILITY FUND  
Expense

	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance Favorable (Unfavorable)	Percent Remaining
	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56	59.15 %
Fund: 051 - UTILITY FUND Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56	59.15 %
Report Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56	59.15 %



Fund Summary

Fund	Original Total Budget	Current Total Budget	Period Activity	Fiscal Activity	Encumbrances	Variance		Percent Remaining
						Favorable (Unfavorable)	Remaining	
051 - UTILITY FUND	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56	59.15 %	
Report Total:	1,502,896.00	1,502,896.00	26,388.63	353,792.63	260,182.81	888,920.56	59.15 %	

# Bridges Specialties Inc.

4233 FM624 Robstown Tx 78380  
361-387-2743 wk 361-387-1769 fax  
[Jason@bsitx.cc](mailto:Jason@bsitx.cc)

## Proposal

**January 11, 2023**

Subject: Kingsville Pipe Burst

Description of Services	Qty	Unit Price	Amount
-------------------------	-----	------------	--------

### 8" Pipe Burst

Mobilize	LS		\$3,000
Shoring	LS		\$16,000
Manhole Tie-In	LS		\$2,500
Pipe Burst 8 Clay with 8" HDPE	180'	\$350.00	\$63,000

### Change Order #1

**2 Days Loss Time Due to 10" Thick Concrete Collar on Existing Sewer. Haul Equipment to Demo Concrete, Additional Trench Box, Excavation and Backfill**

Total Change Order	\$24,000.00
Total	\$108,500.00

**Exclusions: Permits, Bypass, Traffic Control**

We appreciate your business and look forward to working with you on future projects. Should you have any questions, or if I may be of further service, please feel free to call me at 361-537-6698.

*Jason Gordon*

\_\_\_\_\_  
Bridges Specialties Inc.  
Jason Gordon

\_\_\_\_\_  
City of Kingsville

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR EMERGENCY WASTEWATER 8 INCH LINE REPAIR.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#27

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 051 – Utility Fund</b>					
<u>Expenditures</u>					
7001	WW	Professional Services	31400	\$108,500	
7001	WW	Budget Amendment Reserve	86000		\$108,500

[To amend the City of Kingsville FY 22-23 budget to appropriate funding emergency wastewater 8-inch line repair. Funding will come from the Budget Amendment Reserve line item in the Wastewater Division of Utility Fund.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:** \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

# **AGENDA ITEM #5**

**City of Kingsville  
Purchasing Department**

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TO: Mayor and City Commissioners  
CC: Mark McLaughlin, City Manager  
FROM: Charlie Sosa Purchasing Manager  
DATE: January 18, 2023  
SUBJECT: Real Estate Sale-Kenedy Park

---

**Summary:**

This item authorizes the Real Estate Sales proceeds from Kenedy Park to be appropriated for the construction of the new Chamberlain Park just north of city hall.

**Background:**

State statute requires sales proceeds from the sale of park land go back into the parks system. The land for this park was deeded to the City with a reversionary clause the King Ranch Inc. has advised they will waive so long as the proceeds go towards the development of Chamberlain Park. Prior to placing the property for sale, it was agreed upon by both parties to use the Kenedy Park proceeds for the construction of Chamberlain Park next to the City Hall building. This budget amendment will provide for that.

**Financial Impact:**

Total sale of Kenedy Park \$395,000.00 Fund 206 Chamberlain Park  
Estimated Broker Fees/Closing Costs \$25,200.00  
Estimated Total funds for the Construction of Chamberlain Park \$369,800

**Recommendation:**

It is recommended the City Commission authorize the Real Estate Sales proceeds from Kenedy Park to be appropriated for the construction of the new Chamberlain Park after deducting the costs of sale.





## SELLER'S ESTIMATED NET PROCEEDS

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.  
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*The figures below are estimates. Actual costs and proceeds will vary. Estimates are not guaranteed.*

Seller: The City of Kingsville

Address: 400 West King Ave, Kingsville, Texas 78363

Anticipated Closing Date: August 31, 2023

Estimated Annual Property Taxes: \$                     

Estimated Annual Maintenance Fees: \$                     

Buyer's Anticipated Financing: ☒ Conventional ☐ VA ☐ FHA ☐ USDA ☐ Reverse Mortgage  
☐ Assumption ☐ Owner ☐ Cash

### Estimated Costs

Attorney's Fees / Doc. Prep.	<u>600.00</u>
Brokers' Fees <u>6.000</u> %	<u>23,700.00</u>
Condo. Transfer Fee	<u>                    </u>
Courier & Express Mail Fees	<u>200.00</u>
Escrow Fee (one-half)	<u>900.00</u>
Prorations*:	
Taxes Prorated for <u>243</u> days	<u>                    </u>
Interest (Assumptions)**	<u>                    </u>
Maintenance Fees	<u>                    </u>
Assessments	<u>                    </u>
Rents	<u>                    </u>
Recording Fees	<u>46.00</u>
Repairs Required by Buyer	<u>                    </u>
Repairs Required by Lender	<u>                    </u>
Residential Service Contract	<u>                    </u>
Seller Allowances or FHA/VA	<u>                    </u>
Nonallowables (Para. 12)	<u>                    </u>
Survey Fee	<u>                    </u>
Tax Certificate Fee	<u>30.00</u>
Title Policy - Owner's	<u>3,000.00</u>
Wiring Fees	<u>                    </u>
<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>
<b>Total Estimated Costs</b>	<b><u>\$28,476.00</u></b>

### Estimated Proceeds to Seller:

Sales Price	<u>395,000.00</u>
Less Estimated Costs	( <u>28,476.00</u> )
Less Estimated Loan Payoff	( <u>                    </u> )
<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>
<b>Estimated Net Proceeds:</b>	<b><u>366,524.00</u></b>

### After Closing Refunds

Estimated Unused Insurance	<u>                    </u>
Estimated Escrow Balance	<u>                    </u>
<u>                    </u>	<u>                    </u>
<u>                    </u>	<u>                    </u>
<b>Total Estimated Refunds:</b>	<u>                    </u>

Note: Seller may be required to pay some costs directly to the service providers before closing.

Prepared by: Connie Womack

\* Prorations are calculated through the closing date.

\*\* Interest is prorated only in assumption transactions.

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR CHAMBERLAIN PARK WITH PROCEEDS FROM THE SALE OF KENEDY PARK.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#29

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 206 – Chamberlain Park</b>					
<u>Revenues</u>					
0000	Non Dept	Sale of City Property	91000	\$395,000	
<u>Expenditures</u>					
1030	City Special	Professional Services	31400	\$28,476	
4503	Park Maint	Grounds & Perm Fixtures	59100	\$306,524	
4503	Park Maint	Machinery & Equipment	71200	\$60,000	

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for Chamberlain Park. Funding will come from the sale of Kenedy Park.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission



that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:** \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

## **AGENDA ITEM #6**

**City of Kingsville  
Finance Department**

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TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager

FROM: Deborah Balli, Finance Director

DATE: January 18, 2023

SUBJECT: Request Budget Amendment to Cover Upgrade of Server Licensing

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**Summary:**

The City of Kingsville is currently running Microsoft 2012R2 for all of its servers. Several key services related to city email and security are being discontinued for 2012R2 next month. General support for 2012R2 will end in October 2023. Due to Microsoft's licensing, all servers will require relicensing to be compliant.

**Background:**

Microsoft announced that support for 2012R2 would be ended in October 2023. Due to this staff advised at budget time that upgrades could be delayed for an additional year. Microsoft has now announced that while general support still ends in October other services are being deprecated during Q1-Q3 of 2023 calendar year.

These services enable certain email and security functions to continue to operate without interruption.

**Financial Impact:**

The cost of new licensing is \$14,154.24 which includes upgrade rights to any new server software released in the next 3 years at no cost. Funding for this item would come from the General Fund Budget Amendment Reserve Account.

**Recommendation:**

Staff recommends the approval of the budget amendment for the upgraded server licensing.



**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR SERVER SOFTWARE.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#30

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 001 – General Fund</b>					
<u>Expenditures</u>					
1801	Finance	Software Maintenance	31410	\$14,154.24	
1030	City Special	Budget Amendment Reserve	86000		\$14,154.24

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for server software. Funding will come from the General Fund budget amendment reserve.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_ day of February 2023.

**EFFECTIVE DATE:**\_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

## **AGENDA ITEM #7**

**ORDINANCE NO. 2023-\_\_\_\_\_**

**AN ORDINANCE AMENDING THE FISCAL YEAR 2022-2023 BUDGET TO APPROPRIATE FUNDING FOR THE CITY MANAGER CONTRACT INCREASE.**

**WHEREAS**, it was unforeseen when the budget was adopted that there would be a need for funding for these expenditures this fiscal year.

I.

**BE IT ORDAINED** by the City Commission of the City of Kingsville that the Fiscal Year 2022-2023 budget be amended as follows:

CITY OF KINGSVILLE  
DEPARTMENT EXPENSES  
BUDGET AMENDMENT – BA#31

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
<b>Fund 001 – General Fund</b>					
<b>Expenditures</b>					
1010	City Mgr	Salaries	11100	\$26,893	
1010	City Mgr	Retirement	11400	\$2,190	
1010	City Mgr	FICA	11500	\$2,058	
1010	City Mgr	Life Insurance	12300	\$35	
1010	City Mgr	Car Allowance	12000	\$1,200	
1030	City Special	Budget Amendment Reserve	86000		\$32,376

[To amend the City of Kingsville FY 22-23 budget to appropriate funding for the City Manager contract increase. Funding will come from the General Fund budget amendment reserve.]

II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT** this Ordinance shall not be codified but shall become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January 2023.

**PASSED AND APPROVED** on this the \_\_\_\_\_ day of February 2023.

**EFFECTIVE DATE:** \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney



## **AGENDA ITEM #8**



## City of Kingsville Health Department

---

TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager  
Courtney Alvarez, City Attorney

FROM: Emilio H. Garcia, City of Kingsville, Health Director

DATE: January 25, 2023

SUBJECT: Re-appointment of Health Board Member

---

**Summary:** Please be advised that the Health Board term for Norma Sue Adrian expired on January 6, 2023. I have spoken with Norma Sue Adrian, and she has agreed to remain on the Board for another 3-year term. It is my recommendation that Norma Sue Adrain be re-appointed to the City of Kingsville Health Board.

**Background:** Ms. Norma Sue Adrain has served on the City of Kingsville-Health Board for 3 years and would like to be re-appointed for another 3 years.

**Financial Impact:** None.

**Recommendation:** I am requesting that the City Commission consider their re-appointment at the next Regular Commission meeting. Approve request.

## **AGENDA ITEM #9**

**City of Kingsville  
Legal Department**

---

TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager

FROM: Courtney Alvarez, City Attorney

DATE: January 26, 2023

SUBJECT: 18<sup>th</sup> Annual Ride on the Wild Side Charity Bike Event

---

**Summary:**

The Noon Lion's Club is seeking the City's sponsorship in the Annual Ride on the Wild Side charity bike tour that occurs partly through the City and the King Ranch on April 22, 2023. This will be the 18<sup>th</sup> year the City has participated in this event. Proceeds from this charity bike ride benefit the Lion's Disabled Children's Camp in Kerrville, of which Kingsville disabled children directly benefit.

**Background:**

The Noon Lion's Club requests the City participate by allowing the use of city streets for the tour, providing cones and one police officer to escort the riders as they go through town (if needed), and having an ambulance on stand-by for the event. The City's participation will provide a means to obtain an insurance rider, which is required by the Ranch. The bike route will be well staffed with Noon Lion's Club volunteers and other volunteers as well.

While the April 2020 bike event (which was to be the 17<sup>th</sup> year of the ride) was approved by the City Commission and the King Ranch, it could not be held due to the start of the COVID pandemic. No event was scheduled for 2021. Accordingly, the Noon Lion's Club started the event up again in 2022, which became the 17<sup>th</sup> year the ride was held.



**RESOLUTION # 2023-\_\_\_\_\_**

**A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE THE PERMISSION AND INDEMNITY AGREEMENT WITH THE KING RANCH, INC. FOR THE 18<sup>TH</sup> ANNUAL RIDE ON THE WILD SIDE CHARITY BIKE EVENT; REPEALING ALL CONFLICTING RESOLUTIONS.**

**WHEREAS**, the City of Kingsville ("City") has previously participated in the Noon Lion's Club charity bike ride called the Ride on the Wild Side whose proceeds assist with sending local disabled children to the Lion's Disabled Children's Camp in Kerrville, Texas in the summer;

**WHEREAS**, the Noon Lion's Club is seeking the City's sponsorship in the 18<sup>th</sup> Annual Ride on the Wild Side charity bike tour through the King Ranch on April 22, 2023 by allowing the use of city streets for the ride, providing cones and one police officer to escort the riders as they go through town (if needed), and having an ambulance on stand-by for the event;

**WHEREAS**, part of the bike ride goes through the King Ranch, the Ranch requires a Permission and Indemnity Agreement be executed between the City and the Ranch each year;

**WHEREAS**, the King Ranch is requesting the City execute the attached Permission and Indemnity Agreement for this year's bike ride as well;

**WHEREAS**, the bike ride is also a popular tourist attraction bringing visitors to the City;

**NOW THEREFORE, BE IT RESOLVED** by the City Commission of the City of Kingsville, Texas:

I.

**THAT** the City Commission of the City of Kingsville authorizes the Mayor to execute on behalf of the City the Permission and Indemnity Agreement between the City of Kingsville and the King Ranch, Inc., a copy of which is attached hereto, for the 18<sup>th</sup> Annual Ride on the Wild Side Charity Bike event.

II.

**THAT** all resolutions or parts of resolutions in conflict with this resolution are repealed to the extent of such conflict only.

III.

**THAT** this Resolution shall be and become effective on and after adoption.

**PASSED AND APPROVED** by a majority vote of the City Commission on the  
\_\_\_\_\_ 13th day of \_\_\_\_\_ February \_\_\_\_\_, 2023.

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

**City of Kingsville**  
**Legal Department**

The Noon Lion's Club requests the City participate by allowing the use of city streets for the tour, providing cones and one police officer to escort the riders as they go through town (if needed), and having an ambulance on stand-by for the event. The City's participation will provide a means to obtain an insurance rider, which is required by the Ranch. The bike route will be well staffed with Noon Lion's Club volunteers and other volunteers as well. Proceeds from this charity bike ride benefit the Lion's Disabled Children's Camp in Kerrville, of which Kingsville children directly benefit.

Also, as was done previously, the King Ranch is requesting the City execute the attached Permission and Indemnity Agreement for this year's bike ride as well.

**Financial Impact:** None.

**Recommendation:** Authorize participation in the event and approve execution of the Indemnity Agreement with the King Ranch.



## PERMISSION AND INDEMNITY AGREEMENT

In consideration for King Ranch, Inc.'s permission (evidenced by its execution below) for a portion of the Ride On The Wild Side Charity Bike Ride (or similarly named event) ["Bike Ride"] (with participation/sponsorship by the Kingsville Noon Lions Club & the City of Kingsville) to be held on the premises of King Ranch, Inc. on or about April 22<sup>nd</sup> of 2023, the sufficiency and adequacy of which consideration is hereby acknowledged, the City of Kingsville, Texas, hereby unconditionally and irrevocably agrees to defend, indemnify and hold harmless King Ranch, Inc., its directors, employees, shareholders and agents from and against any and all claims based on, or arising out of, personal injury (including death) to, and/or property damage of, any of the participants, support personnel or other individuals participating in, observing as by-stander of, or providing organizational or other support or safety services for, the above Bike Ride, including the arrival to or departure from the above Bike Ride and all other ancillary and related activities related to the Bike Ride. **The foregoing defense, indemnity and holding harmless shall apply in full force and effect despite any sole, joint or concurrent negligence, strict liability or other fault of any of the above indemnified persons.**

At least 30 days prior to the Bike Ride, the City of Kingsville shall provide a certificate of insurance to King Ranch, Inc. in a form and from an insurer acceptable to King Ranch, Inc. showing contractual indemnity insurance coverage in the amount of at least \$5,000,000 per claim or occurrence for general liability, automobile liability and law enforcement liability, to cover this contractual indemnity agreement. Such certificate shall require the insurer to provide King Ranch, Inc. at least 30 days prior written notice of any change, deletion or expiration to such coverage and terms and such insurance and certificate shall indicate that such coverage for the contractual indemnitees is primary and shall respond without contribution from any other insurance of such indemnitees.

The Bike Ride's sponsors shall obtain and provide King Ranch, Inc. waivers of liability, on forms approved by King Ranch, Inc., executed by all Bike Ride participants in the Bike Ride.

Executed this \_\_\_\_ day of \_\_\_\_\_, 202\_\_.

City of Kingsville, Texas, by:

King Ranch, Inc.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title



# **REGULAR AGENDA**

# **AGENDA ITEM #10**

**ORDINANCE # 2023 \_\_\_\_\_**

**AMENDING THE CITY OF KINGSVILLE CODE OF ORDINANCES CHAPTER III- ADMINISTRATION; PROVIDING FOR REVISION OF ARTICLE 1-CITY COMMISSION, SECTION 10-AGENDA; REPEALING ALL ORDINANCES IN CONFLICT HEREWITH AND PROVIDING FOR AN EFFECTIVE DATE AND PUBLICATION.**

**WHEREAS**, the City Commission of the City of Kingsville needs to amend its Code of Ordinances from time to time for statutory compliance and to address issues that arise; and

**WHEREAS**, there is an interest in removing the language that places a limit on the time period for the return of an item to the agenda after it has failed to be approved;

**WHEREAS**, the provisions herein are necessary to promote and protect the health, safety, and welfare of the public and to comply with State Law.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF KINGSVILLE, TEXAS:**

I.

**THAT** Article 1: City Commission of Chapter III- Administration, of the Code of Ordinances of the City of Kingsville, Texas shall be amended to read as follows:

**Article 1 – City Commission**

**GENERAL PROVISIONS**

...

**RULES BEFORE THE CITY COMMISSION**

**§ 3-1-10. - Agenda.**

(A) The City Manager shall be responsible for preparation of an agenda for each City Commission meeting.

(B) The agenda shall conform to all applicable laws of the state and the following special regulations:

(1) The City Manager, City Attorney, any department head with consent of the City Manager, any member of the City Commission or the City Commission itself may place an item on the agenda; however, unless the City Manager is directed in open session to place an item on the agenda, each agenda item shall reflect the person by name or title who requested that such item be placed on the agenda.

(2) Any resident who wishes to address the City Commission on any matter may do so by notifying the City Secretary in accordance with the Texas Open Meetings Law. Any such address during the Public Comment portion of the agenda shall not exceed three minutes without permission of a majority of the Commission.

(3) Any non-resident wishing to address the Commission shall notify the City Secretary and specify his interests in the matter being considered. The City Secretary shall present such requests to the City Manager for approval before placing the name on the agenda. Any such address during the Public Comment portion of the agenda shall not exceed three minutes without permission of a majority of the Commission.

(4) Prior to considering any item on the agenda which requires deliberation, discussion, action, or consideration by the Commission, a Public Comments section will be on the agenda prior to the agenda items listed to permit persons to comment on the items set out on the agenda. Such comments shall not exceed three minutes without permission of a majority of the Commission. If a member of the public addresses the Commission through a translator, they will be given twice the amount of time as a member of the public who does not require the assistance of a translator. The provisions of this subsection shall have no application in the case of a public hearing required by law where comments shall not exceed five minutes.

(Ord. 96002, passed 1-22-96)

(5) After an item has been considered by the City Commission and fails to be approved, the item shall not be considered on an agenda again until at least 60 days have passed, unless waiting 60 days would negatively impact the City financially in which case the item could be considered at the next available meeting. ~~180 days have passed.~~

...

## II.

**THAT** all Ordinances or parts of Ordinances in conflict with this Ordinance are repealed to the extent of such conflict only.

## III.

**THAT** if for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a

court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of this City Commission that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

IV.

**THAT**, as required by the Open Meetings Act, it is officially found and determined that the meeting at which this Ordinance is passed was open to the public and that the public notice of the time, place and purpose was given.

V.

**THAT** this Ordinance shall be codified and become effective on and after adoption and publication as required by law.

**INTRODUCED** on this the 23rd day of January, 2023.

**PASSED AND APPROVED** on this the 13th day of February, 2023.

Effective Date: \_\_\_\_\_

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

# **AGENDA ITEM #11**

**City of Kingsville  
Purchasing Department**

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TO: Mayor and City Commissioners  
CC: Mark McLaughlin, City Manager  
FROM: Charlie Sosa, Purchasing Manager  
DATE: February 8, 2023  
SUBJECT: Classification, Compensation and Benefits Study (RFP #23-03)

---

**Summary:**

This item authorizes the City to award and negotiate a contract with Evergreen Solutions LLC, to conduct a Classification and Compensation Study for the City of Kingsville.

**Background:**

We published a Request for Proposal #23-03 in the newspaper on December 22, 2022, and January 5, 2023. Responses were accepted until 2:00 PM on January 31, 2023. The City received six (6) responses from Gallagher Benefit Services, McGrath Human Resources Group, PayPoint HR LLC., Baker Tilly US, LLP, JER HR Group and Evergreen Solutions LLC. The Compensation Review Committee reviewed proposals and found the information received to be responsive. Review Committee scored the firms based on understanding task, related experience, references, cost of services and time to complete tasks. Based on the criteria listed the Review Committee selected Evergreen Solutions LLC. The review committee consisted of Diana Gonzalez, City of Kingsville Human Resource Director. Please see attached criteria scoring sheet.

**Financial Impact:**

Funds are available through General Fund Amendment Reserve Line Item 001-5-1030-86000, total cost of services will be \$ 42,500.00.

**Recommendation:**

It is recommended that the City Commission award and authorize staff to negotiate a contract with Evergreen Solutions LLC, to perform a Classification, Compensation Benefit Study for the City of Kingsville as per staff recommendation.



Classification and Compensation Study RFP # 23-03

Criteria %	Criteria	Paypoint HR	McGrath Human Resources Group	Gallagher - HR & Compensation Consulting	JER HR Group	bakertilly	Evergreen Solutions, LLC
20	Thoroughness and understanding of the tasks to be completed.	20	20	20	20	20	20
20	Related public-sector experience, preferably in a municipal setting, conducting similar studies.	20	18	18	18	20	20
15	References, credentials and/or recommendations from past clients.	13	13	13	13	13	15
25	Costs associated with developing, preparing, and presenting the study.	17	16	16	19	18	25
20	Time required to accomplish the requested services.	20	17	16	20	18	19
		90	84	83	90	89	99



## Diana Gonzales

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**From:** Diana Gonzales  
**Sent:** Tuesday, February 7, 2023 4:27 PM  
**To:** Charlie Sosa  
**Subject:** Analysis Feb 2023.xlsx  
**Attachments:** Analysis Feb 2023.pdf

Charlie,

Attached is a summary of RFP 23-03 based on the information provided by vendors. While most of them had good points, Evergreen Solutions, LLC did stand out due to their vast Texas experience which included many surrounding areas.

Diana Gonzales, SPHR, SHRM-SCP  
City of Kingsville  
Human Resources Director  
P.O. Box 1458  
Kingsville, Texas 78363  
(361) 595-8017 - Phone  
(361) 595-8064 - Fax  
Email: [dgonzales@cityofkingsville.com](mailto:dgonzales@cityofkingsville.com)

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# BID LOG SHEET

**Project:** RFP 23-03: Classification, Compensation & Benefits Study  
**Facilitator:** Charlie Sosa  
**Place/Room:** City Hall/ Community Room

**Date:** Tuesday, January 31, 2023  
**Time:** 2:00 p.m.

	COMPANY NAME	DATE RECEIVED	TIME RECEIVED
1	Gallagher	1/10/23	11:40 am
2	Baker Tilly US, LLP	1/30/23	10:56 am
3	Evergreen Solutions, LLC	1/30/23	10:56 am
4	Paypoint HR	1/30/23	1:15 pm
5	JER HR Group LLC	1/30/23	1:15 pm
6	McGrath Consulting Group	1/31/23	12:56 pm
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# SIGN IN SHEET

RFP 23-03 "Classification, Compensation &

**Project:** Benefits Study"

**Facilitator:** Charlie Sosa

**Place/Room:** City Hall/Community Room

**Date:** Tuesday, 01/31/2023

**Time:** 2:00 p.m.

PRINT NAME	COMPANY	PHONE	EMAIL
1. Charlie L. Sosa	COLC	361-595-8025	csosa@cityofkingsville.com
2. Vanessa Echols	COLC	361-595-8036	rechols@cityofkingsville.com
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# **AGENDA ITEM #12**

**RESOLUTION #2023-\_\_\_\_\_**

**A RESOLUTION APPROVING THE AGREEMENT FOR THE DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT BETWEEN THE CITY OF KINGSVILLE AND THE OFFICE OF THE GOVERNOR, TEXAS MILITARY PREPAREDNESS COMMISSION; AUTHORIZING THE CITY MANAGER TO EXECUTE SUCH AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, the City Commission of the City of Kingsville authorized staff, via Resolution #2022-44 on August 8, 2022, to apply for a Defense Economic Adjustment Assistance ("DEAAG") Grant from the Office of the Governor, Texas Military Preparedness Commission;

**WHEREAS**, the City recently received notice it was awarded a DEAAG and now desires to enter into an Agreement between the parties for such grant (the "Agreement") to construct a new building at Naval Air Station-Kingsville ("NAS Kingsville") that will have four fire truck bays able to house the proper size fire trucks required per DoD instruction as the trucks cannot be delivered until an adequate facility exists at the installation;

**WHEREAS**, NAS Kingsville and the City have mutual aid agreements to support each other for fire, HAZMAT, and EMS services and NAS Kingsville firefighters routinely leave the installation to support city and county emergency needs;

**WHEREAS**, the failure to provide the building so that that new fire trucks can be received might jeopardize the flight operations at the base, which is vital to national security and local economic prosperity and public safety;

**NOW, THEREFORE BE IT RESOLVED** by the City Commission of the City of Kingsville, Texas:

I.

**THAT** the Office of the Governor, Texas Military Preparedness Commission Agreement for the Defense Economic Adjustment Assistance Grant (the "Agreement") attached hereto as Exhibit A is hereby approved.

II.

**THAT** the City Manager is hereby authorized and directed to act on the City's behalf in all matters pertaining to executing this Agreement including any certifications, amendments or representations stipulated therein.

III.

**THAT** this Resolution shall be and become effective on or after adoption.

**PASSED AND APPROVED** by a majority vote of the City Commission on the 13th day of February, 2023.

---

Sam R. Fugate, Mayor

**ATTEST:**

---

Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

---

Courtney Alvarez, City Attorney

**AGREEMENT FOR THE  
DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT  
BETWEEN THE  
OFFICE OF THE GOVERNOR,  
TEXAS MILITARY PREPAREDNESS COMMISSION  
AND  
CITY OF KINGSVILLE  
DEAAG NO. 2022-02-06**

**STATE OF TEXAS  
COUNTY OF TRAVIS**

**THIS AGREEMENT** is between the Office of the Governor, Texas Military Preparedness Commission (“OOG” or “Grantor”), and the City of Kingsville (“Grantee”). The OOG and Grantee are referred to collectively as the “parties.” The parties hereto have severally and collectively agreed and by the execution of this Agreement are bound to the mutual obligations and to the performance and accomplishment of the tasks described herein.

**SECTION 1. PURPOSE.** This Grant is awarded pursuant to Chapter 436 of the Texas Government Code, which authorizes the OOG to administer the Defense Economic Adjustment Assistance Grant (“DEAAG”) program. The DEAAG program provides state funds to defense communities that have been or may be affected by a base realignment and closure action for the purposes of purchasing property, sharing the costs of infrastructure or redevelopment projects, and the purchase or lease of equipment, including equipment for the training of defense workers.

**SECTION 2. TERM OF AGREEMENT.** The term of this Agreement commences on the date of last signature below (“Effective Date”) and terminates upon the completion of the Grant Project as described herein, or at 5:00 P.M. on the last business day before the second anniversary of the Effective Date, whichever occurs first, unless terminated earlier pursuant to Section 16 of this Agreement.

**SECTION 3. PROJECT REQUIREMENTS.** Consistent with Sections 436.202 and 436.203 of the Texas Government Code, grant proceeds may be used for the purchase of property, new construction, rehabilitation or renovation of facilities or infrastructure, or purchase of capital equipment or facilities insurance, and if applicable, to purchase or lease equipment to train certain defense workers. Subject to the requirements of applicable law and this Agreement, Grantee may use grant proceeds as cost reimbursement for certain actual, reasonable, and allowable costs that are directly allocable to the project described in Exhibit A (Grant Budget), Exhibit B (Grant Narrative) of this Agreement, and Grantee’s DEAAG Grant Application (collectively, the “Grant Project”).

#### **SECTION 4. OBLIGATIONS OF THE OOG.**

**4.1.** The OOG shall reimburse Grantee for the actual, reasonable, and allowable costs incurred by Grantee during the term of this Agreement, subject to the requirements and limitations set forth in this Agreement. The OOG shall reimburse Grantee only for costs that are directly allocable to the Grant Project as determined by the OOG, in its sole discretion, in accordance with Chapter 436 of the Texas Government Code, the DEAAG Administrative Rules (Title 1, Part 1, Chapter 4, Subchapter B, Texas Administrative Code), this Agreement, and the Grant Budget, and in conformity with the Texas Grant Management Standards ("TxGMS").

**4.2.** The OOG shall not be liable to Grantee for any costs incurred by Grantee that are not strictly in accordance with the terms of this Agreement.

**SECTION 5. MAXIMUM AMOUNT OF GRANT.** Notwithstanding any other provision of this Agreement, the total of all grant reimbursement payments and other obligations incurred by the OOG under the terms of this Agreement shall not exceed **ONE MILLION SEVEN HUNDRED THOUSAND DOLLARS AND NO CENTS (\$1,700,000.00)**. The parties stipulate and agree that any act, action or representation by either party, their agents or employees that purport to increase the liability of the OOG is voidable by the OOG, unless this Agreement is amended to increase the liability of the OOG.

#### **SECTION 6. GENERAL REQUIREMENTS APPLICABLE TO THE GRANT.**

**6.1.** Grant funds may be used only for the actual, reasonable, and allowable costs incurred during the term of this Agreement and that are directly allocable to the Grant Project. Grant funds may not be used for the payment of taxes, overhead, debt repayment, indirect expenses, or administrative expenses.

**6.2.** All grant funds shall be disbursed on a cost reimbursement basis, subject to the terms of this Agreement. Only costs that have been incurred and paid by Grantee are eligible for reimbursement. Grant funds are not eligible for use to provide an advance payment to a Grantee or sub-grantee.

**6.3.** In no case shall the payments made to a Grantee exceed the actual, reasonable, and allowable costs that are directly allocable to the Grant Project costs as identified in the Grant Budget, or the Maximum Amount of Grant as set forth in Section 5 of this Agreement.

**6.4.** Pre-term costs incurred prior to the Effective Date of the Agreement are allowable only with the written approval of the OOG and only to the extent to which they would have been allowable if they had been incurred during the term of this Agreement.

**6.5.** The OOG will not pay any costs not allowed under Chapter 436 of the Texas Government Code, the DEAAG Administrative Rules (Title 1, Part 1, Chapter 4, Subchapter B, Texas Administrative Code), this Agreement, the Grant Budget, and other applicable law.



**6.6.** Grantee agrees to comply with all applicable state and federal laws, rules and regulations, directives, guidelines, or any other authorities relevant to the performance of Grantee under this Agreement as they currently exist and as amended throughout the term of this Agreement. Grantee agrees to comply with applicable laws, executive orders, regulations, and policies, as well as Chapter 783 of the Texas Government Code and the TxGMS or the successor to the TxGMS. The OOG reserves the right, in its sole discretion, to unilaterally amend this Agreement throughout the term of this Agreement to incorporate any modifications necessary for the OOG's compliance, as an agency of the State of Texas, with all applicable state and federal laws, regulations, requirements, and guidelines.

**6.7.** Grantee agrees to comply with the Uniform State Grant Assurances as set forth in Exhibit C.

**SECTION 7. CONDITIONS PRECEDENT TO REIMBURSEMENT.** All of the following conditions precedent must be met to the satisfaction of the OOG prior to any reimbursement payments:

**7.1.** All costs incurred by Grantee for which Grantee seeks reimbursement must be for the actual, reasonable, and allowable costs that are directly allocable to the Grant Project costs described in the Grant Budget.

**7.2.** Before the OOG will make a reimbursement payment, Grantee must submit, and the OOG must approve, a reimbursement request as set forth in Section 8 of this Agreement.

**7.3.** The OOG will not consider requests for the reimbursement of expenditures Grantee incurs after the Term of Agreement has expired or terminated, as set forth in Section 2. The total amount already disbursed plus the amount requested shall not exceed the Maximum Amount of Grant set forth in Section 5 of this Agreement.

**7.4.** Grantee must be in compliance with all terms of this Agreement.

**7.5.** Grantee must have supplied to the OOG all reports, documentation, or other items that the OOG requires or has requested.

**SECTION 8. STRUCTURE FOR REIMBURSEMENT PAYMENTS.**

**8.1. Requests for Reimbursement.** Grantee's reimbursement requests shall be submitted to the OOG in the form and manner approved by the OOG and shall specify the detailed and total expenses for the reimbursement request ("Request for Reimbursement"). All Requests for Reimbursement must be timely submitted to the OOG in accordance with the schedule and requirements set forth in Section 8.5 of this Agreement.

Grantee's Requests for Reimbursement and required documentation shall be submitted directly to:

tmpc@gov.texas.gov

Or by mail to:

Office of the Governor  
Texas Military Preparedness Commission  
P.O. Box 12428  
Austin, Texas 78711

**8.2. Required Documentation.** Each Request for Reimbursement Grantee submits to the OOG must include:

- (1) the identification of the specific OOG Agreement;
- (2) Grantee's federal tax identification number;
- (3) the name and division of the OOG contact;
- (4) a description of the services, costs, and/or expenses, and the dollar amount attributable to each;
- (5) the name of the entity or person providing the service and the costs charged by such entity or person;
- (6) an itemization of charges with sufficient detail to permit the OOG to determine if the costs are allowable; and
- (7) documentation of proof of payment, as specified in Section 8.3.

Each item of expenditure shall be specifically attributed to the eligible Grant Project cost category as identified in the Grant Budget. By submission of a Request for Reimbursement, Grantee is warranting that (1) all invoices have been carefully reviewed to ensure that all invoiced services or goods have been performed or delivered; (2) the services or goods have been performed or delivered in compliance with all terms of this Agreement; (3) the amount of each new invoice added together with all previous invoices does not exceed the Maximum Amount of Grant as stated in Section 5 of this Agreement; and (4) the charges and expenses shown on the invoice are reasonable, necessary, and supported by included documentation.

**8.3. Documentation of Proof of Payment.** Requests for Reimbursement must include documentation of proof of payment as evidence of actual expenditures. Acceptable proof of payment includes, but is not limited to, a receipt or other documentation of a paid invoice showing zero balance due, a monthly bank statement evidencing payment of the specific expenditure, copies of endorsed/processed check, or a printed copy of an electronic payment confirmation evidencing payment of the specific expenditures to which the reimbursement relates.

**8.4. Right to Request Additional Documentation.** Upon the request of the OOG, Grantee must submit to the OOG any additional documentation or explanation the OOG may require to support or document any requested payment under the Agreement.

**8.5. Timing of Submission of Request for Reimbursement to the OOG; Close-Out Request for Reimbursement.** Grantee must submit accurate Requests for Reimbursement and all supporting documentation to the OOG in a timely manner. Unless the OOG provides written authorization providing additional time as set forth below, Grantee must submit quarterly Requests

for Reimbursement to the OOG that cover the previous quarter's expenses on or before the twentieth day after the end of each quarter. Quarterly Reimbursement requests are due:

- (1) First quarter – December 20
- (2) Second Quarter – March 20
- (3) Third Quarter – June 20
- (4) Fourth Quarter – September 20

The OOG may, in its sole discretion, provide written authorization to Grantee that provides Grantee additional time to submit a specified quarterly request for reimbursement. The amount of additional time provided to Grantee shall be specified in the OOG's written authorization.

Grantee must submit a final Request for Reimbursement on or before the forty-fifth calendar day after termination of this Agreement.

The OOG will make all reasonable efforts to promptly process and make payments on properly-completed Requests for Reimbursement.

**8.6. Final Deadline for Reimbursement Requests.** All Requests for Reimbursement must be received by the OOG no later than forty-five calendar days after termination of this Agreement. An Agreement amendment must be executed by the OOG and Grantee in order to extend this deadline. Any extension of the deadline is within the sole discretion of the OOG and subject to the availability of appropriated funds.

**SECTION 9. BUDGET ADJUSTMENT.** Prior written approval from the OOG is required if Grantee anticipates altering the scope of the Grant Project, adding funds to previously un-awarded budget items or categories, changing funds in any awarded budget items or category by more than ten percent of the annual budget, or adding new line items to any awarded budget category.

**SECTION 10. PURCHASE OF EQUIPMENT; MAINTENANCE AND REPAIR; TITLE UPON TERMINATION.** Grantee shall not give any security interest or lien or otherwise encumber any item of equipment purchased with grant funds. Grantee shall identify all equipment purchased under this Agreement by appropriate tags or labels affixed to the equipment. Grantee shall maintain a current inventory of all equipment, which shall be available to the OOG at all times upon request. The equipment inventory must include the following: a description of the equipment; a serial number or other identification number; the acquisition date, cost, location, use, and condition of the equipment; and any ultimate disposition data. Title for equipment shall remain with Grantee, and Grantee shall maintain, repair, and protect all equipment purchased in whole or in part with grant funds so as to ensure the full availability and usefulness of such equipment. In the event Grantee is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the equipment purchased under this Agreement, Grantee shall use the proceeds to repair or replace said equipment. Upon termination of this Agreement, title, use, and disposal of equipment shall be in conformity with the TxGMS.

**SECTION 11. REPORTING REQUIREMENTS.**

**11.1.** Until Grantee has submitted a Project Completion Report to the OOG, Grantee shall submit a Quarterly Project Status Report to the OOG, using the form attached hereto as Exhibit D, no later than twenty calendar days after the end of each quarter. Quarterly reports are due:

- (1) First quarter – December 20
- (2) Second Quarter – March 20
- (3) Third Quarter – June 20
- (4) Fourth Quarter – September 20

The OOG may, at its sole discretion provide written authorization to Grantee that provides Grantee a specified amount of additional time to submit a specified Quarterly Project Status report.

**11.2.** After Grantee has completed the Grant Project as set forth in this Agreement, but in no case more than one hundred twenty calendar days after termination of this Agreement, Grantee shall submit to the OOG a Project Completion Report, using the form attached hereto as Exhibit E, describing all activities performed under this Agreement. Grantee shall provide to the OOG a Certification of Delivery, certifying that Grantee has received delivery of all equipment purchased pursuant to this Agreement.

**11.3.** No later than sixty calendar days after the date on which Grantee submits Grantee's Project Completion Report to the OOG, Grantee shall provide to the OOG a DEAAG Project Impact Report, using the form attached hereto as Exhibit F. A DEAAG Project Impact Report must contain information concerning jobs generated and retained, and individuals trained as a result of the Grant Project. For purposes of this Agreement, job creation, retention, and training rates may be evidenced by satisfactory documentation, such as copies of payroll documents, human resource documents, or training enrollment records.

**11.4.** Grantee shall provide to the OOG additional information regarding the status of the Grant Project at any time upon request from the OOG.

**11.5.** Grantee shall cooperate with the OOG and provide all requested assistance to the OOG in connection with the preparation of any reports required to be made by the OOG to the Texas Legislature or any relevant governmental entity regarding Grantee, the Grant, the Grant Project, or the Grant Application.

**11.6.** All reports provided to the OOG must be signed by the duly authorized representative of Grantee.

**11.7.** If after a written request by the OOG, Grantee fails to provide required reports, information, documentation, or other information as required by this Agreement, then the OOG may require corrective action or consider this act a possible default under this Agreement.

## **SECTION 12. CORRECTIVE ACTION.**

**12.1. Corrective Action.** If the OOG finds deficiencies in Grantee's performance under this Agreement, the OOG, in its sole discretion, may impose one or more of the following corrective actions: increase monitoring visits; require the submission of additional or more detailed financial

or programmatic reports; require prior approval for expenditures; require additional technical or management assistance or make modifications in business practices; reduce the grant award amount; or terminate this Agreement. The foregoing are not exclusive remedies, and the OOG may impose other requirements that the OOG determines will be in the best interest of the State of Texas.

**12.2. Financial Hold.** Failure to comply with submission deadlines for required reports, invoices, or other requested information without prior written authorization from the OOG may result in the OOG, in its sole discretion, placing Grantee on immediate financial hold without further notice to Grantee and without first requiring a corrective action plan. The OOG shall only provide written authorization for delay upon finding that extraordinary circumstances exist that support the delay. No reimbursements will be processed until the requested information is submitted. If Grantee is placed on financial hold, the OOG, in its sole discretion, may deny reimbursement requests associated with expenses incurred during the time Grantee was placed on financial hold.

**12.3. Sanctions.** In addition to a financial hold, the OOG, in its sole discretion, may impose other sanctions including, but not limited to, withholding or suspending funding, requiring return or offset of previous reimbursements, requiring repayment, disallowing claims for reimbursement, reducing funding, terminating this Agreement, or any other appropriate sanction.

**12.4. Notice of Possible Default.** The parties agree to make a good faith effort to identify, communicate, and resolve problems found by either the OOG or Grantee. The OOG, in its sole discretion, will determine whether Grantee has acted or failed to act in such a manner that gives rise to an act of possible default under this Agreement. If the OOG determines Grantee has possibly defaulted on this Agreement, the OOG shall, within ten business days after making that determination, give written notice of possible default to Grantee that also sets out the circumstances that support the OOG's determination.

**12.5. Opportunity to Cure.** Unless the OOG provides written authorization providing additional time as set forth below, Grantee must cure the possible default and provide the OOG with sufficient information that supports a finding of cure by the OOG within thirty calendar days after the OOG gives Grantee notice under Section 12.4 of this Agreement. The OOG may, in its sole discretion and upon a finding by the OOG that extraordinary circumstances support the additional time, provide written authorization to Grantee that provides Grantee a specified amount of additional time cure the possible default and provide required information to the OOG.

**12.6. Cure.** If the OOG determines, in its sole discretion, that Grantee has cured the possible default event, the OOG shall give written notice to Grantee within ten business days after making that determination. The OOG shall be guided by good faith and reasonableness in determining whether Grantee has cured the possible default.

**12.7. Default.** If the OOG determines Grantee has not cured the possible default, Grantee shall be in default hereunder, and the OOG shall give written notice to Grantee informing Grantee of such default within ten business days after the OOG reaches its determination. Any default may result in termination of this Agreement in accordance with Section 16 of this Agreement.

**12.8. No Waiver.** Notwithstanding the imposition of corrective actions, financial hold, or sanctions, Grantee remains responsible for complying with the Agreement terms and conditions. Corrective actions, financial hold, or sanctions do not excuse or operate as a waiver of prior failure to comply with this Agreement.

**SECTION 13. NOTICES.** Any notice required or permitted to be given under this Agreement by either party shall be in writing and shall be deemed to have been given immediately if sent to the e-mail address specified in this section. Any notice required or permitted to be given under this Agreement may be given by regular first class mail and shall be deemed to have been given on the date of attempted or actual delivery to the recipient if addressed to the receiving party at the address specified in this section:

**To Grantor:**

Office of the Governor  
Texas Military Preparedness Commission  
P.O. Box 12428  
Austin, Texas 78711  
tmopc@gov.texas.gov

**To Grantee:**

Mark McLaughlin  
City of Kingsville  
P.O. Box 1458  
Kingsville, Texas 78363  
mmclaughlin@cityofkingsville.com

**SECTION 14. GRANTEE CERTIFICATIONS.** By agreeing to and signing this Agreement, Grantee represents that Grantee has obtained all necessary authority to enter into this Agreement and hereby makes the following certifications, representations, and warranties:

**14.1. Child Support Obligation.** Under Section 231.006(d) of the Texas Family Code, regarding child support, Grantee certifies that the individual or business entity named in this Agreement is not ineligible to receive the specified payment and acknowledges that this Agreement may be terminated, and payment may be withheld if this certification is inaccurate.

**14.2. Prohibited Bids and Agreements.** Under Section 2155.004 of the Texas Government Code, Grantee certifies that the individual or business entity named in this Agreement is not ineligible to receive the specified agreement and acknowledges that this Agreement may be terminated, and payment withheld if this certification is inaccurate.

**14.3. Gift to Public Servant.** Grantee warrants that Grantee has not given, nor does Grantee intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the award of this Agreement.

**14.4. Former Executive Head and Employees of the Agency.** Grantee certifies that this Agreement is compliant, and will remain in compliance during the Agreement term, with the following sections of the Texas Government Code: Section 669.003 (Contracting with Executive Head of State Agency); Section 572.069 (Prohibiting employment of state officers and employees who participated in the procurement of services); and Section 2252.901 (Contracts with Former or Retired Agency Employees).

**14.5. Conflicts of Interest.** Grantee certifies that neither Grantee nor the personnel or entities employed in rendering services under this Agreement have, nor shall they knowingly acquire, any interest that would be adverse to or conflict in any manner with the performance of Grantee's obligations under this Agreement. Grantee has a continual and ongoing obligation to immediately notify the OOG in writing, upon discovery of any actual or potential conflict.

**14.6. Corporate Franchise Tax.** Grantee certifies that, if applicable, Grantee's Texas franchise tax payments are current, or that Grantee is exempt from, or not subject to, such tax.

**14.7. No Claims.** Grantee certifies that Grantee does not have any potential or existing claims against or unresolved audit exceptions with the State of Texas or any agency of the State of Texas.

**14.8. Debt to State.** Grantee acknowledges and agrees that, to the extent Grantee owes any debt or delinquent taxes to the State of Texas, any payments Grantee is owed under this Agreement may be applied by the Comptroller of Public Accounts toward any debt or delinquent taxes Grantee owes the State of Texas until the debt or delinquent taxes are paid in full.

**14.9. Compliance with Licensing, Permitting, and Regulatory Bodies.** Grantee certifies that Grantee has or will obtain all licenses, certifications, permits, and authorizations necessary to perform Grantee's obligations under this Agreement, without costs to the OOG. Grantee shall comply with any applicable federal, state, county, local and municipal laws, ordinances, resolutions, codes, decisions, orders, rules, and regulations, in connection with Grantee's obligations under this Agreement. Grantee shall comply with all applicable federal health and safety standards, including but not limited to, OSHA, and all Texas health and safety standards.

Grantee certifies that Grantee is currently is in good standing with all licensing, permitting, or regulatory bodies that regulate any or all aspects of Grantee's business or operations. Grantee agrees to comply and remain compliant with all applicable licenses, legal certifications, inspections, and any other applicable local ordinance or state or federal laws.

**14.10. Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion.** Grantee certifies that Grantee and Grantee's principals are not listed on the federal government's terrorism watch list as described in Executive Order 13224 and will remain compliant with this certification during the term of this Agreement. Grantee certifies that Grantee and Grantee's principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the System for Award Management (SAM) maintained by the General Services Administration.

**14.11. Deceptive Trade Practices/Unfair Business Practices.** Grantee represents and warrants that Grantee has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that the Respondent has not been found to be liable for such practices in such proceedings. Grantee certifies that Grantee has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative

hearing or court suit, and that such officers have not been found to be liable for such practices in such proceedings.

**14.12. False Statements.** By signature to this Agreement, Grantee makes all the representations, warranties, guarantees, certifications and affirmations included in this Agreement. If Grantee signs this Agreement with a false statement or it is subsequently determined that Grantee has violated any of the representations, warranties, guarantees, certifications or affirmations included in this Agreement, Grantee shall be in default under this Agreement and the OOG may terminate or void this Agreement for cause and pursue other remedies available to the OOG under this Agreement and applicable law.

**14.13. Felony Criminal Convictions.** Grantee represents and warrants that Grantee and Grantee's employees who will perform services under this Agreement have not been convicted of a felony criminal offense, or that, if such a conviction has occurred, Grantee has fully advised the OOG as to the facts and circumstances related to the conviction.

**14.14. Immigration.** Grantee represents and warrants that Grantee shall comply with all applicable U.S. immigration laws with respect to the employment of any individual who will perform labor or services in the U.S. under this Agreement.

**14.15. U.S. Department of Homeland Security's E-Verify System.** Grantee certifies and ensures that Grantee utilizes and will continue to utilize, for the term of this Agreement, the U.S. Department of Homeland Security's E-Verify system as required by Chapter 673 of the Texas Government Code, to determine the eligibility of:

- a. all persons employed to perform duties within Texas, during the term of the Agreement; and
- b. all persons, including subcontractors, employed or assigned by Grantee to perform work pursuant to the Agreement, within the United States of America.

If this certification is falsely made, the Agreement may be terminated.

**14.16. Certification Concerning Prior Disaster Relief Contract Violation.** The OOG is prohibited from awarding a grant to any with any person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by Section 418.004 of the Texas Government Code, occurring after September 24, 2005. Under Sections 2155.006 and 2261.053 of the Texas Government Code, Grantee certifies that Grantee is not ineligible from entering into this Agreement and will remain compliant with this certification during the term of this Agreement. Grantee acknowledges that this Agreement may be terminated and payment withheld or return of grant funds required if this certification is inaccurate or false.

**14.17. Technology Access Clause.** If applicable, Grantee will comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in 1 TAC Chapter 213 when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation. Likewise, if applicable, Grantee shall provide



the Texas Department of Information Resources (DIR) with the URL to Grantee's Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under Section 508 of the Rehabilitation Act), or indicate that the product/service accessibility information is available from the General Services Administration "Buy Accessible Wizard" (<http://www.buyaccessible.gov>). A company not listed with the "Buy Accessible Wizard" or supplying a URL to their VPAT must provide DIR with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding the "Buy Accessible Wizard" or obtaining a copy of the VPAT is located at <http://www.section508.gov/>.

**14.18. Buy Texas.** With respect to all services, if any, purchased pursuant to this Agreement, Grantee represents and warrants that Grantee will buy Texas products and materials for use in providing the services authorized herein when such products and materials are available at a comparable price and within a comparable period of time when compared to non-Texas products and materials.

**14.19. Liability for Taxes.** Grantee represents and warrants that Grantee shall pay all taxes or similar amounts resulting from this Agreement, including, but not limited to, any federal, state, or local income, sales or excise taxes of Grantee or Grantee's employees. The OOG shall not be liable for any taxes resulting from this Agreement.

**14.20. Israel.** If Grantee is required to make a certification pursuant to Section 2271.002 of the Texas Government Code, Grantee certifies that Grantee does not boycott Israel and will not boycott Israel during the term of the Agreement. If Grantee does not make that certification, Grantee must notify the OOG and state why the certification is not required. The term "boycott Israel" as used in the paragraph has the meaning assigned by Section 808.001 of the Texas Government Code.

**14.21. Iran, Sudan, or Foreign Terrorist Organization.** Grantee represents that neither Grantee, nor any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of Grantee, (i) is an entity listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code; (ii) constitutes a "scrutinized company" as defined by Section 2270.0001(9) of the Texas Government Code; or (iii) has contracts with, provides supplies or services to, or is otherwise engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code. The terms "foreign terrorist organization" and "designated foreign terrorist organization" have the meanings assigned to them in Sections 2252.151 and 2270.0001 of the Texas Government Code, respectively.

**14.22. Entities that Boycott Energy Companies.** If Grantee is required to make a certification pursuant to Section 2274.002 of the Texas Government Code (as added by Acts 2021, 87th Leg., R.S., ch. 529, § 2), Grantee certifies that Grantee does not boycott energy companies and will not boycott energy companies during the term of the Agreement. If Grantee does not make that certification, Grantee must indicate why the certification is not required.

**14.23. Entities that Discriminate Against a Firearm Entity or Firearm Trade Association.** If Grantee is required to make a certification pursuant to Section 2274.002 of the Texas Government Code (as added by Acts 2021, 87th Leg., R.S., ch. 530, § 1), Grantee certifies that Grantee does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate during the term of the Agreement against a firearm entity or firearm trade association. If Grantee does not make that certification, Grantee must indicate why the certification is not required.

**14.24. No Vaccine Passport.** Grantee certifies that, pursuant to Section 161.0085 of the Texas Government Code, it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from Grantee's business in Texas. Grantee acknowledges that such a vaccine or recovery requirement in Texas would make Grantee ineligible for a state-funded grant.

**14.25. Cybersecurity Training Program.** To the extent Grantee has access to any state computer system or database and is subject to the provisions of Section 2054.5192 of the Texas Government Code, the OOG will require Grantee to complete a cybersecurity training program certified under Section 2054.519 of the Texas Government Code, as selected by the OOG. The cybersecurity training program must be completed by Grantee during the term of the Agreement and during any subsequent extension period. Grantee shall verify completion of the program to the OOG in writing upon completion of the program.

**14.26. Human Trafficking.** Under Section 2155.0061 of the Texas Government Code, Grantee certifies that Grantee is not ineligible to receive this Agreement and acknowledges that this Agreement may be terminated and payment withheld if this certification is inaccurate.

**14.27. Critical Infrastructure.** If Grantee is required to access or control the State's critical infrastructure as defined in Sections 2274.0101 and 2274.0102 of the Texas Government Code, Grantee certifies, pursuant to Section 2274.0102 of the Texas Government Code, neither it nor its parent company, nor any affiliate of Grantee or its parent company, is: (1) majority owned or controlled by citizens or governmental entities of China, Iran, North Korea, Russia, or any other country designated by the Governor under Section 2274.0103 of the Texas Government Code, or (2) headquartered in any of those countries.

**SECTION 15. GENERAL TERMS AND CONDITIONS.**

**15.1. Independent Contractor.** Grantee expressly agrees that Grantee is an independent contractor and under no circumstances shall any owner, incorporator, officer, director, employee, or volunteer of Grantee or any subcontractor of Grantee be considered an employee, agent, servant, joint venturer, joint enterpriser, or partner of the OOG, by virtue of this Agreement. Grantee agrees to take such steps as may be necessary to ensure that each contractor of Grantee will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, joint enterpriser, or partner of the OOG.

All persons furnished, used, retained, or hired by or on behalf of Grantee or any of Grantee's subcontractors shall be considered to be solely the employees or agents of Grantee or Grantee's

subcontractors. Grantee or Grantee's subcontractors shall be responsible for ensuring that any and all appropriate payments are made, such as unemployment, workers' compensation, social security, any benefit available to a state employee as a state employee, and other payroll taxes for such persons, including any related assessments or contributions required by law.

The OOG is not responsible for any types of claims whatsoever due to actions or performance, taken by the owners, incorporators, officers, directors, employees, volunteers of Grantee or any third parties under this Agreement, including but not limited to, the use of automobiles or other transportation, taken by its owners, incorporators, officers, directors, employees, volunteers or any third parties.

**15.2. Subcontracting.** In the event that Grantee should determine it is necessary or expedient to subcontract for any of the performances herein, Grantee understands and agrees that Grantee will be responsible to the OOG for any subcontractor's performance under this Agreement. In no event shall this section or any other provision of this Agreement be construed as relieving Grantee of the responsibility for ensuring that performance under this Agreement, and any subcontracts thereto, is rendered in compliance with all of the terms of this Agreement. If Grantee uses a subcontractor for any or all of the work required, the following conditions will apply: (1) Grantee, in subcontracting for any performances specified herein, expressly understands and agrees that subcontracting will be solely at Grantee's expense and the OOG shall not be liable in any manner to Grantee's subcontractor(s); (2) Grantee will be the sole contact for the OOG; and (3) Pursuant to Chapter 2251 of the Texas Government Code, Grantee will make any payments owed to subcontractors within ten calendar days after Grantee's receipt of funds from the OOG.

**15.3. No Assignment.** This Agreement is not assignable by Grantee. Notwithstanding any attempt to assign the Agreement, Grantee shall remain fully liable on this Agreement and shall not be released from performing any of the terms, covenants, and conditions herein. Grantee shall be held responsible for all funds received under this Agreement.

**15.4. Records Retention.** Records shall be maintained and made available to the OOG or its authorized representatives upon request during the entire performance period of this Agreement and until four years from date of final payment by the OOG for the services provided under this Agreement. In addition, those records relating to any dispute, litigation, or the settlement of claims arising out of such performance, or costs or items to which an audit exception has been taken, shall be maintained and made available to the OOG or its designee until completion of such action and resolution of all issues which arise from it, or until the end of the aforementioned three year period, whichever is later. Failure to provide reasonable access to authorized OOG representatives shall give the OOG the right to terminate this Agreement pursuant to Section 16 of this Agreement for reason of default.

**15.5. Right to Audit.** Grantee will cooperate fully in any review conducted by the OOG or its authorized representatives related to services provided under this Agreement. The OOG has the authority to monitor, inspect, assess, and review the fiscal and contractual performance of Grantee with respect to the Agreement, including all information related to any services provided under this Agreement or billed to the OOG. Grantee will remedy in a timely manner, any weaknesses, deficiencies, Agreement noncompliance, or audit exceptions found as a result of a review by the

OOG or its authorized representatives. Such remedy can include a refund or offset of Agreement payments or any other appropriate actions deemed necessary by the OOG. Acceptance of funds under this Agreement acts as acceptance of the authority of the State Auditor's Office to audit or investigate the expenditure of funds under this Agreement or any subcontract. Grantee will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Grantee and the requirement to cooperate is included in any subcontract Grantee awards.

**15.6. State Auditor.** In addition to and without limitation on the other audit provisions of this Agreement, pursuant to Section 2262.154 of the Texas Government Code, the State Auditor's Office or successor agency may conduct an audit or investigation of Grantee or any other entity or person receiving funds from the State of Texas directly under this Agreement or indirectly through a subcontract under this Agreement. The acceptance of funds by Grantee or any other entity or person directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the State Auditor's Office, under the direction of the Legislative Audit Committee, to conduct an audit or investigation in connection with those funds. Under the direction of the Legislative Audit Committee, Grantee or another entity that is the subject of an audit or investigation by the State Auditor's Office shall provide the State Auditor's Office with prompt access to any information the State Auditor's Office considers relevant to the investigation or audit. Grantee further agrees to cooperate fully with the State Auditor's Office in the conduct of the audit or investigation, including providing all records requested.

Grantee shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through Grantee and the requirement to cooperate is included in any subcontract Grantee awards. The State Auditor's Office shall at any time have access to and the right to examine, audit, excerpt, and transcribe any pertinent books, documents, working papers, and records of Grantee related to this Agreement. This Agreement may be amended unilaterally by the OOG to comply with any rules and procedures of the State Auditor's Office in the implementation and enforcement Section 2262.154 of the Texas Government Code.

**15.7. Texas Public Information Act.** Notwithstanding any provisions of this Agreement to the contrary, Grantee acknowledges that the State of Texas, the OOG, and this Agreement are subject to the Texas Public Information Act, Texas Government Code Chapter 552 (the "PIA"), and Grantee acknowledges that the OOG will comply with the PIA.

Grantee acknowledges that information created or exchanged in connection with this Agreement is subject to the PIA, and Grantee agrees that information not otherwise excepted from disclosure under the PIA, will be available in a format that is accessible by the public at no additional charge to the OOG or State of Texas. Grantee will cooperate with the OOG in the production of documents or information responsive to a request for information.

Information provided by or on behalf of Grantee under, pursuant to, or in connection with this Agreement that Grantee considers proprietary, financial, or trade secret information (collectively "Confidential Information") shall be designated as such when it is provided to the OOG or State of Texas or any other entity in accordance with this Agreement. Merely making a blanket claim that all documents are protected from disclosure will not render the whole of the information confidential. Any information not clearly identified as proprietary or confidential is subject to

release in accordance with the PIA.

The OOG agrees to notify Grantee in writing within a reasonable time from receipt of a request for information covering Grantee's Confidential Information. The OOG will make a determination whether to submit a Public Information Act request to the Attorney General.

Grantee agrees to maintain the confidentiality of confidential information received from the OOG or State of Texas during the performance of this Agreement, including information that discloses confidential personal information particularly, but not limited to, personally identifying information, personal financial information, and social security numbers.

Grantee agrees that if any of Grantee's agents receives any third-party request for the disclosure of information relating to this Agreement, Grantee shall notify the OOG of any such request within three business days after receipt of the request.

**15.8. Media Releases or Pronouncements.** Grantee understands that the OOG does not endorse any vendor, commodity good, or service. Grantee, Grantee's employees, representatives, subcontractors, or other agents may not issue any media release, advertisement, publication, or public pronouncement which pertains to this Agreement or the services or Grant Project to which this Agreement relates, or which mentions the OOG, without the prior written approval of the OOG.

**15.9. Indemnification. TO THE EXTENT ALLOWED BY LAW, GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS, THE OOG, AND/OR THEIR EMPLOYEES, AGENTS, OFFICERS, REPRESENTATIVES, CONTRACTORS, AND/OR DESIGNEES FROM ANY CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING, WITHOUT LIMITATION, ALL RELATED COSTS, ATTORNEY'S FEES AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF GRANTEE OR ANY OF GRANTEE'S AGENTS, EMPLOYEES, SUBCONTRACTORS, OR SUPPLIERS IN THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT. GRANTEE SHALL COORDINATE GRANTEE'S DEFENSE WITH THE TEXAS ATTORNEY GENERAL AS REQUESTED BY THE OOG. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE GRANTEE TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE OOG FOR ANY CLAIMS OR LIABILITIES RESULTING FROM THE NEGLIGENT ACTS OR OMISSIONS OF THE OOG OR ITS EMPLOYEES.**

**15.10. Intellectual Property. TO THE EXTENT ALLOWED BY LAW, GRANTEE SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS, THE OOG, AND/OR THEIR EMPLOYEES, AGENTS, OFFICERS, REPRESENTATIVES, CONTRACTORS, AND/OR DESIGNEES FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS, OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY, OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING**

**FROM: (1) THE PERFORMANCE OR ACTIONS OF GRANTEE PURSUANT TO THIS GRANT AGREEMENT; (2) ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE, OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR (3) THE OOG'S AND/OR GRANTEE'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO THE OOG BY GRANTEE OR OTHERWISE TO WHICH THE OOG HAS ACCESS AS A RESULT OF GRANTEE'S PERFORMANCE UNDER THE GRANT AGREEMENT. GRANTEE AND THE OOG AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. GRANTEE SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY GRANTEE WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL ("OAG") WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT, AND GRANTEE MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OAG. IN ADDITION, GRANTEE WILL REIMBURSE THE OOG AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES, OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS ARISING FROM ANY SUCH CLAIM. IF THE OOG DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF GRANTEE, OR IF THE OOG IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, THE OOG WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND GRANTEE WILL PAY ALL REASONABLE COSTS OF THE OOG'S COUNSEL.**

**15.11. Taxes/Workers' Compensation/Unemployment Insurance.** GRANTEE IS FULLY RESPONSIBLE FOR GRANTEE'S OWN FEDERAL, STATE, AND LOCAL TAXES. GRANTEE AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THIS AGREEMENT, GRANTEE SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF GRANTEE'S AND GRANTEE'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THIS AGREEMENT. GRANTEE AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE OOG AND/OR THE STATE OF TEXAS SHALL NOT BE LIABLE TO GRANTEE, GRANTEE'S EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF THE OOG.

**15.12. Tax Identification Information Required.** As a prerequisite to the OOG's ability to process any payments to Grantee under this Agreement, Grantee shall provide the OOG with required tax and payee identification information in the form of a completed "Application for Texas Identification Number" (available on the Comptroller of Public Accounts' website at <http://www.window.state.tx.us/taxinfo/taxforms/ap-152.pdf>). If Grantee has previously completed the required documentation to obtain a Texas Identification Number (TIN) prior to the Effective Date of this Agreement, Grantee may satisfy this requirement by providing the OOG with

Grantee's current TIN, name, and address to permit the OOG to verify registration in the TIN System with the Texas Comptroller of Public Accounts.

**15.13. Insurance.** Unless otherwise noted in this Agreement, and to the extent that Grantee does not have or maintain insurance or does not have or maintain sufficient insurance, Grantee acknowledges and agrees that Grantee will be solely responsible for any losses or damages related to or caused by Grantee's performing Grantee's duties and obligations under this Agreement. The OOG will have no obligation to reimburse or otherwise pay Grantee for any costs incurred related to any such losses or damages.

**15.14. Fraud, Waste, and Abuse.** Grantee understands that the OOG does not tolerate any type of fraud, waste, or misuse of funds received from the OOG. The OOG's policy is to promote consistent, legal, and ethical organizational behavior, by assigning responsibilities and providing guidelines to enforce controls. Any violations of law, OOG policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. In the event Grantee becomes aware of any allegation or a finding of fraud, waste, or misuse of funds received from the OOG that is made against Grantee, Grantee is required to immediately notify the OOG of said allegation or finding. Grantee is also obliged to inform the OOG of the status of any on-going investigations regarding allegations of fraud, waste, or abuse. Grantee is expected to report any possible fraudulent or dishonest acts, waste, or abuse to the OOG's Fraud Coordinator or Ethics Advisor at (512) 463-1788 or in writing to: Ethics Advisor, Office of the Governor, P.O. Box 12428, Austin, Texas 78711. Grantee must also comply with Section 321.022 of the Texas Government Code, which requires that suspected fraud and unlawful conduct be reported to the State Auditor's Office.

**15.15. Information Security/Privacy.** Grantee shall employ and maintain appropriate information security procedures to protect against the unauthorized acquisition, use, or disclosure of any personal information under applicable laws (including Personal Identifying Information or Sensitive Personal Information as those terms are defined in Chapter 521 of the Texas Business and Commerce Code) that it receives, compiles, or creates as a result of the Agreement to ensure compliance with any agency requirements of the OOG and any applicable international, federal, state, or local laws, regulations, and ordinances. Unless required by law to disclose, Grantee agrees to maintain the confidentiality of information received from the OOG or the State of Texas during the performance of the Agreement, including, but not limited to, Sensitive Personal Information, Personally Identifying Information, personal financial information, financial account numbers, account access information, computer passwords, social security numbers or information that is confidential by law or otherwise subject to a lawful exception from disclosure. In the event of an unauthorized acquisition, use, or disclosure of the OOG's information by Grantee, its employees, representatives, subcontractors or other agents in the performance of Grantee's duties, Grantee shall: (i) immediately notify the OOG in writing; (ii) assume and comply with any applicable remedial requirements required by law; (iii) bear all costs of such compliance and remediation; and (iv) provide the OOG with information regarding the breach and the progress of any remedial efforts if requested. The obligations of Grantee under this Section will survive the Agreement and must be included in all subcontracts in which the subcontractor may have access to personal information.

Grantee shall endorse the OOG's requirements and adhere to the State of Texas' and the OOG's Information Technology Security Standards. From time-to-time and on the request of the OOG, Grantee may be required to execute written information security or non-disclosure agreements as deemed necessary by the OOG to strictly comply with any applicable confidentiality or information security requirements or applicable laws, regulations, and protective orders. Grantee is required to assess risks, ensure data integrity, and determine the level of accessibility that must be maintained. Specific activities may include, but are not limited to identification of security, privacy, legal, and other organizational requirements for recovery of institutional resources such as data, software, hardware, configurations, and licenses at the termination of the Agreement. In addition, the OOG may periodically assess Grantee's privacy and security services provisioned to providing the goods and services under the Agreement to ensure all obligations are being met and to manage and mitigate risk.

To the extent applicable, if Grantee is authorized to access, transmit, use, or store data for the OOG, Grantee must meet the security controls the OOG determines are proportionate with the OOG's risk under the Agreement based on the sensitivity of the OOG's data. Upon request, Grantee must provide to the OOG evidence that Grantee meets the security controls required under the Agreement.

**15.16. Saturdays, Sundays, Holidays.** If the last or appointed day for the taking of any action or the expiration of any right required or granted in this Agreement is a Saturday or a Sunday or a scheduled State of Texas or national holiday, then such action may be taken, or such right may be exercised on the next succeeding business day that is not a Saturday, Sunday, or holiday. A schedule of State of Texas holidays is located at: <http://www.hr.sao.texas.gov/Holidays/>.

**15.17. Applicable Law and Venue.** This Agreement is made and entered into in the State of Texas. This Agreement and all disputes arising out of or relating thereto shall be governed by the laws of the State of Texas, without regard to any otherwise applicable conflict of law rules or requirements.

Venue for any Grantee-initiated action, suit, or litigation arising out of or in any way relating to this Agreement shall be commenced exclusively in the Travis County District Court or the United States District Court for the Western District of Texas, Austin Division. Venue for any OOG-initiated action, suit, or litigation arising out of or in any way relating to this Agreement may be commenced in a Texas state district court or a United States District Court selected by the OOG in its sole discretion.

Grantee hereby irrevocably and unconditionally consents to the exclusive jurisdiction of the courts referenced above for the purpose of prosecuting and/or defending such litigation. Grantee hereby waives and agrees not to assert as a defense, or otherwise, in any suit, action or proceeding, any claim that Grantee is not subject to the jurisdiction of the above-named courts; the suit, action or litigation is brought in an inconvenient forum; or the venue is otherwise improper.

**15.18. No Waiver of Sovereign Immunity.** The OOG is immune from suit and from liability. No part of this Agreement, nor the conduct or statement any person, will be construed as a waiver of the doctrines of sovereign immunity and official immunity, or of any of the privileges, rights,



defenses, remedies, or immunities available to the OOG or the State of Texas, and their officers, employees, or agents as provided by law.

## **SECTION 16. TERMINATION.**

**16.1. Convenience.** The OOG may, at its sole discretion, terminate this Agreement without recourse, liability, or penalty, against the OOG, upon thirty calendar days' notice to Grantee.

**16.2. Cause; Default.** In the event that Grantee fails to provide the agreed upon services according to the provisions of this Agreement or fails to comply with any of the terms or conditions of this Agreement, the OOG may, upon written notice of default to Grantee, immediately terminate all or any part of this Agreement. Termination is not an exclusive remedy but is in addition to any other rights and remedies provided in equity, by law, or under this Agreement.

**16.3. Rights upon Termination or Expiration.** In the event that the Agreement is terminated for any reason, or upon its expiration, the OOG shall be obligated to pay Grantee only for actual, reasonable, and allowable costs incurred up to the Effective Date of termination. Termination is not an exclusive remedy but will be in addition to any other rights and remedies as provided in equity, by law or under the Agreement. The OOG is not liable to Grantee or to Grantee's creditors for any costs incurred subsequent to receipt of a Notice to Terminate or any unacceptable or disallowed costs as determined by the OOG.

**16.4. Liability after Termination.** Notwithstanding any exercise by the OOG of its right of early termination pursuant to this section, Grantee shall not be relieved of any liability to the OOG for damages due to the OOG by virtue of any breach of this Agreement by Grantee. The OOG may withhold payments to Grantee until such time as the exact amount of damages due to the OOG from Grantee is agreed upon or is otherwise determined.

**16.5. Refunds of Overpayment.** Grantee shall refund to the OOG any sum of money paid to Grantee by the OOG, which the OOG determines is an overpayment to Grantee, or in the event the OOG determines funds spent by Grantee were not an allowable cost of this Grant Project. No refund payments may be made from local, state, or federal grant funds unless statute or regulation specifically permits repayment with grant funds. Such refund shall be made by Grantee to the OOG within thirty calendar days after such refund is requested in writing by the OOG, or within thirty calendar days after a notice from the OOG indicating the request is the result of a final determination that the refund is owed.

**16.6. Failure to Comply with Agreement.** In the event Grantee fails to comply with any provision of this Agreement, Grantee may be liable for damages and barred from applying for or receiving additional funding under the DEAAG program until repayment is made and any other compliance or audit findings are resolved, or any issue of non-compliance is cured to the satisfaction of the OOG.

**SECTION 17. AVAILABILITY OF FUNDS.** Grantee understands and agrees that funding for the grant is subject to the actual receipt by the OOG of funds appropriated to the OOG or otherwise available from federal funding sources. Grantee agrees that any funds received from the OOG are

limited by the term of each state biennium and by specific appropriation authority to and the spending authority of the OOG for the purpose of the Agreement. Grantee agrees that notwithstanding any other provision of the Agreement, if the OOG is not appropriated the funds or if the OOG does not receive the appropriated funds, or if the funds appropriated to the OOG are required to be reallocated to fund other state programs or purposes, then the OOG may reduce the Maximum Amount of Grant or terminate the Agreement without cost or penalty.

**SECTION 18. MONITORING.** The OOG or its designee may perform periodic on-site monitoring of Grantee's compliance with the terms and conditions of this Agreement and of the adequacy and timeliness of Grantee's performance. After each monitoring visit, the OOG will provide Grantee with a written report of the monitor's findings. If the monitoring report notes deficiencies in Grantee's performances under the terms of this Agreement, the monitoring report shall include requirements for the timely correction of such deficiencies by Grantee. Failure by Grantee to take action specified in the monitoring report may be cause for termination of this Agreement in accordance with Section 16 of this Agreement.

#### **SECTION 19. CONFLICT OF INTEREST.**

**19.1. No Conflicts of Interest.** Grantee shall ensure that no employee, officer, or agent of Grantee shall participate in the selection, award, or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such conflict of interest would arise when: (1) the employee, officer, or agent; (2) any member of his or her immediate family; (3) his or her partner; or (4) any organization which employs, or is about to employ any of the above, has a financial or other interest in the firm or person selected to perform the subcontract. Grantee shall comply with Chapter 171 of the Texas Local Government Code.

Grantee represents and warrants that performance under this Agreement will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety. Further, Grantee represents and warrants that in the administration of the grant, it will comply with all conflict-of-interest prohibitions and disclosure requirements required by applicable law, rules, and policies, including Chapter 176 of the Texas Local Government Code. If circumstances change during the course of the Agreement, Grantee shall promptly notify the OOG.

**19.2. No Inside Information.** No employee, agent, consultant, officer, or elected or appointed official, of either Grantee or of a subcontractor, who exercises or has exercised any functions or responsibilities or is in a position to participate in decision-making or gain inside information in regard to the activities involved in the Grant Project, shall be permitted to have or obtain a financial interest in or benefit from the Grant Project or any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties.

#### **SECTION 20. REGULATORY AND LEGAL ACTIONS AND CLAIMS.**

**20.1. No Pending or Threatened Actions Impairing Performance.** Grantee represents and warrants that Grantee is not aware of and has received no notice of any court or governmental agency actions, proceedings or investigations, etc., (collectively "actions"), pending or threatened

against Grantee within the five calendar years immediately preceding the Effective Date of this Agreement that would or could impair Grantee's performance under this Agreement. In addition, Grantee shall notify the OOG in writing within five business days of any changes to the representations or warranties in this clause or of any actions that Grantee may become aware of and receives notice of on or after the Effective Date of this Agreement. Grantee agrees that failure to so timely update the OOG of actions shall constitute breach of this Agreement and may result in immediate termination of this Agreement.

**20.2. Notice of Actions Arising Out of Performance of Agreement.** Grantee shall give the OOG immediate notice in writing of any action, including any proceeding before an administrative agency, filed against Grantee arising out of the performance of this Agreement. Except as otherwise directed by the OOG, Grantee shall immediately furnish to the OOG copies of all pertinent papers received by Grantee with respect to such action or claim. Grantee shall notify the OOG of any legal action filed against Grantee or any subcontractor, or of any proceeding filed under the federal bankruptcy code. Grantee shall submit a copy of such notice to the OOG within thirty calendar days after receipt. No funds provided under this Agreement may be used in the payment of any costs incurred as the result of any claims, judgments, fines, or settlements.

**20.3. Governmental Units of the State of Texas.** The OOG and Grantee acknowledge that they are governmental units of the State of Texas and are subject to, and shall comply with, the applicable provisions of the Texas Tort Claims Act, as set out in Chapter 101 of the Texas Civil Practice and Remedies Code.

**20.4. No Liability.** Grantee acknowledges that the OOG, the State of Texas, and their employees and officials shall not be held liable for any claims or causes of action whatsoever which may occur in the course of performing the services described in this Agreement, or from the award, cancellation, or withdrawal of this Grant.

**SECTION 21. NOTICE OF MATERIAL EVENTS.** Grantee shall furnish to the OOG prompt written notice upon becoming aware or having knowledge of the occurrence of any event or development that has, or would reasonably be expected to have, a material adverse effect on the completion of the Grant Project. Grantee shall inform the OOG in writing within ten business days after Grantee learns of the existence of such material event.

**SECTION 22. FORCE MAJEURE.** Neither party shall be liable to the other for any delay in, or failure of performance of, any requirement included in this Agreement caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, which by the exercise of all reasonable due diligence, such party is unable to overcome. Each party must inform the other in writing, with proof of receipt, within ten business days after the existence of such force majeure, or otherwise waive this right as a defense.

## **SECTION 23. DISPUTE RESOLUTION.**

**23.1. Informal Meetings.** The parties' representatives shall meet as needed to implement the terms of this Agreement and shall make a good faith attempt to informally resolve any disputes. The Parties agree to make a good faith effort to identify, communicate, and resolve problems found by either the OOG or Grantee.

**23.2. Grantee's Continued Performance.** Grantee shall not be excused from performance during any pending dispute, unless approved in writing by the OOG.

## **SECTION 24. CHANGES AND AMENDMENTS.**

**24.1. Alterations, Additions, Deletions.** Any alterations, additions, or deletions to the terms of this Agreement shall be by a written amendment executed by both parties.

**24.2. Policy Directives.** During the term of this Agreement, the OOG may issue policy directives to establish, interpret, or clarify requirements under this Agreement. Policy directives from the OOG shall be binding upon Grantee.

**SECTION 25. SEVERABILITY.** In the event any one or more of the parts or provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other parts or provisions thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable parts or provisions had never been contained herein.

**SECTION 26. ENTIRE AGREEMENT.** This Agreement is intended as a full and complete expression of and constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and all prior and contemporaneous understandings, agreements, promises, representations, terms and conditions, both oral and written, are superseded and replaced by this Agreement.

**SECTION 27. CONSTRUCTION.** The language in all parts of this Agreement shall be construed, in all cases, according to its fair meaning. The parties acknowledge that each party and its counsel have reviewed this Agreement and that any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement. Any vague, ambiguous, or conflicting terms shall be interpreted and construed in such a manner as to accomplish the purpose of the Agreement.

**SECTION 28. HEADINGS.** The headings of the sections and subsections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part hereof.

**SECTION 29. SURVIVAL OF CERTAIN PROVISIONS.** Notwithstanding any expiration, termination, or cancellation of this Agreement, the rights and obligations pertaining to repayment of grant funds or damages, limitation of liability, indemnification, public information, reporting requirements, retention and accessibility of records, audit rights, rights upon termination, and any other provision implying survivability shall remain in effect after this Agreement ends.

**SECTION 30. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

**IN TESTIMONY HEREOF,** Grantee and the OOG have executed this Defense Economic Adjustment Assistance Grant Agreement, effective as of the date of the last signature below.

**OFFICE OF THE GOVERNOR**

**GRANTEE**

\_\_\_\_\_  
Chief of Staff or Designee

\_\_\_\_\_  
Mark McLaughlin, City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**AGREEMENT FOR THE  
DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT  
BETWEEN THE  
OFFICE OF THE GOVERNOR,  
TEXAS MILITARY PREPAREDNESS COMMISSION  
AND  
CITY OF KINGSVILLE  
DEAAG NO. 2022-02-06**

**EXHIBIT A**

**GRANT BUDGET  
\$1,700,000.00**

**Budget.** Subject to the limitations within this Agreement, the OOG will reimburse Grantee for actual and allowable allocable costs paid according to the following amounts and budget categories:

<b>Budget Category</b>	
Infrastructure – Purchase of property	
Infrastructure – Professional & Consultant Services	
Infrastructure – New Construction	\$1,700,000.00
Infrastructure – Rehabilitation and Renovation	
Infrastructure – Capital Equipment <sup>1</sup>	
Infrastructure – Capital Supplies <sup>3</sup>	
Infrastructure – Facilities Insurance	
Training Equipment <sup>2</sup>	
Training Supplies <sup>3</sup>	
<b>Total</b>	<b>\$1,700,000.00</b>

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<sup>1</sup> Per the TxGMS, "Equipment" means an article of nonexpendable, tangible personal property having a useful life of more than one year and a per-unit acquisition cost of \$5,000 or more.

<sup>2</sup> *Id.*

<sup>3</sup> Per the TxGMS, items of equipment with a per unit acquisition cost of less than \$5,000 are considered to be supplies.

**AGREEMENT FOR THE  
DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT  
BETWEEN THE  
OFFICE OF THE GOVERNOR,  
TEXAS MILITARY PREPAREDNESS COMMISSION  
AND  
CITY OF KINGSVILLE  
DEAAG NO. 2022-02-06  
EXHIBIT B  
GRANT NARRATIVE**

**UNLESS OTHERWISE LIMITED, DEEMED INAPPROPRIATE BY SPECIAL CONDITIONS OR ALTERED BY APPROVED BUDGET ADJUSTMENTS/BUDGET MODIFICATIONS,** the following narrative provided by Grantee in Grantee's August 29, 2022 grant application applies to this Agreement:

This project will construct a new building at NAS Kingsville that will have four fire truck bays able to house the proper size fire trucks required per DoD instruction. These new vehicles are the only option currently available for NAS Kingsville, have been funded by the Department of the Navy, and cannot be delivered until an adequate facility exists at the installation. The new trucks will not fit into the existing and outdated facility. NAS Kingsville and the City of Kingsville have mutual aid agreements to support each other for fire, HAZMAT and EMS services. NAS Kingsville firefighters routinely leave the installation to support city and county emergency needs, and that agreement has been updated recently at the request of the city with NAS Kingsville Fire agreeing to augment and improve response coverage to the south side of the city while the city plans and builds its new third fire station.

## EXHIBIT C

### UNIFORM STATE GRANT ASSURANCES

*Grantee must assure and certify compliance with any and all applicable federal and state statutes, regulations, policies, guidelines and requirements, including, but not limited to, the Texas Grant Management Standards (TxGMS); and Title 1, Part 1, Chapter 4 of the Texas Administrative Code, that govern the application, acceptance and use of federal and state funds for this project. In instances where multiple requirements apply to a Grantee, the more restrictive requirement applies. By accepting the grant award, Grantee certifies and assures that Grantee complies and will continue to comply with the following:*

1. Grantee possesses legal authority to apply for the grant. A resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative, or their designee of the organization to act in connection with the application and to provide such additional information as may be required. State agencies are not required to adopt a resolution.
2. Grantee will comply with Chapter 573 of the Texas Government Code by ensuring that no officer, employee, or member of the applicant's governing body or of the applicant's contractor shall vote or confirm the employment of any person related within the second degree of affinity or the third degree of consanguinity to any member of the governing body or to any other officer or employee authorized to employ or supervise such person. This prohibition shall not prohibit the employment of a person who shall have been continuously employed for a period of two years, or such other period stipulated by local law, prior to the election or appointment of the officer, employee, or governing body member related to such person in the prohibited degree.
3. Grantee will ensure that all information collected, assembled or maintained by the applicant relative to a project will be available to the public during normal business hours in compliance with Chapter 552 of the Texas Government Code, unless otherwise expressly prohibited by law.
4. Grantee will comply with Chapter 551 of the Texas Government Code, which requires all regular, special or called meetings of governmental bodies to be open to the public, except as otherwise provided by law or specifically permitted in the Texas Constitution.
5. Grantee will comply with Section 231.006 of the Texas Family Code, which prohibits payments to a person who is in arrears on child support payments. Further, Grantee will include the following clause in the award documents for every subcontract and must require subcontractors to certify accordingly: "Under Section 231.006 of the Texas Family Code, the vendor or applicant certifies that the individual or business entity named in this Agreement, bid or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate. An application for a grant paid from state funds must include the name and social security number of the individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the bid or application."
6. Grantee will comply with Section 261.101 of the Texas Family Code, which requires reporting of all suspected cases of child abuse to local law enforcement authorities and to the Texas Department of Child Protective and Regulatory Services. Grantee will also ensure that all program personnel are properly trained and aware of this requirement.
7. Grantee will maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.
8. Grantee will comply with Section 2054.5191 of the Texas Government Code relating to the cybersecurity training program for local government employees who have access to a local government computer system or database.
9. Grantee will comply with Section 2252.906 of the Texas Government Code relating to disclosure protections for certain charitable organizations, charitable trusts, and private foundations.
10. Grantee's receipt of appropriated or other funds under the Agreement are not prohibited by Sections 403.1067 or 556.0055 of the Texas Government Code, which restrict lobbying expenditures.
11. No health and human services agency or public safety or law enforcement agency may contract with or issue a license, certificate or permit to the owner, operator or administrator of a facility if the license, permit or certificate has been revoked by another health and human services agency or public safety or law enforcement agency.



12. If Grantee is a law enforcement agency regulated by Chapter 1701 of the Texas Occupations Code, Grantee will be in compliance with all rules adopted by the Texas Commission on Law Enforcement ("TCOLE"), unless TCOLE certifies that Grantee is in the process of achieving compliance with such rules.
13. When incorporated into a grant award or contract, standard assurances contained in the application package become terms or conditions for receipt of grant funds. Administering state agencies and local grantees shall maintain an appropriate contract administration system to ensure that all terms, conditions, and specifications are met.
14. Grantee will comply with all federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disabilities; (d) Americans With Disabilities Act of 1990, which prohibits discrimination on the basis of disabilities; (e) the Age Discrimination Act of 1974, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (f) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (g) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to the nondiscrimination on the basis of alcohol abuse or alcoholism; (h) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (i) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (j) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (k) the requirements of any other nondiscrimination statute(s) which may apply to the application.
15. Grantee will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. § § 276a to 276a-7), the Copeland Act (40 U.S.C. § § 276c and 18 U.S.C. § § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. § § 327-333), regarding labor standards for federally assisted construction sub-agreements.
16. Grantee will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P. L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
17. Grantee will comply with the provisions of the Hatch Political Activity Act (5 U.S.C. § 7321-29) which limit the political activity of employees whose principal employment activities are funded in whole or in part with Federal funds.
18. Grantee will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act and the Intergovernmental Personnel Act of 1970, as applicable.
19. Grantee will ensure that the facilities under Grantee's ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that Grantee will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA. (EO 11738).
20. Grantee will comply with the flood insurance purchase requirements of 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234. Section 102(a) requires the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition proposed for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards.
21. Grantee will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).

22. Grantee will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
23. Grantee will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
24. Grantee will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. 2131 et seq.) pertaining to the care, handling, and treatment of warm-blooded animals held for research, teaching, or other activities supported by this award of assistance.
25. Grantee will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residential structures.
26. Grantee will ensure it has adopted and implemented applicable provisions of the model HIV/AIDS workplace guidelines of the Texas Department of State Health Services as required by the Texas Health and Safety Code, Sec. 85.001, et seq.
27. Grantee will comply with Public Law 103-277, also known as the Pro-Children Act of 1994, which prohibits smoking within any portion of any indoor facility used for the provision of services for children as defined by the Pro-Children Act of 1994.
28. Grantee will comply with all federal tax laws and are solely responsible for filing all required state and federal tax forms.
29. Grantee will comply with all applicable requirements of all other federal and state laws, executive orders, regulations and policies governing this program.
30. Grantee and its principals are not, nor will be, suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts or the *System for Award Management* (SAM) maintained by the General Services Administration.
31. Grantee acknowledges and understands the dispute resolution process provided in Chapter 2009 of the Texas Government Code is available to the parties to resolve any dispute arising under the agreement.
32. Grantee will submit timely, complete, and accurate reports in accordance with the grant and maintain appropriate backup documentation to support the reports.

**EXHIBIT D**

**QUARTERLY PROJECT STATUS REPORT**

GRANTEE

TMPC GRANT NUMBER:

**Summary of Expenditures:**

<u>Quarter (Report Period)</u>	<u>Expenditure (\$ Amount)</u>	<u>Description</u>

**Percentage of Grant Project Completed:**

**Brief Narrative Explaining Expenditures:**

**Grant Project Status:**

\_\_\_\_\_  
Printed Name of  
Grantee's Duly Authorized Representative

\_\_\_\_\_  
Signature and Date Signed

**EXHIBIT E**

**PROJECT COMPLETION REPORT**

**GRANTEE**

**TMPC GRANT NUMBER:**

Percent Completed:

**GRANTEE** has successfully completed, and in a satisfactory manner, the **GRANT PROJECT**.  
The purpose of the grant was to **[GRANT PURPOSE]**.

The total cost for the Grant Project is as follows:

• Grant Project Total	\$
• <b>Total</b>	\$

The following is a brief Grant Project scope summary:

This is to certify that an inspection of 100% of the completed Grant Project described below was conducted on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Contracts were entered into for **GRANT PROJECT** between **GRANTEE** and the following subcontractors: **[SUBCONTRACTORS.]**

This is to further certify that any and all Equipment included as part of the grant budget has been purchased with the specified grant purpose, timeline, budget, and all addenda, change orders, and supplemental agreements thereto.

**NAME OF GRANTEE:**

\_\_\_\_\_  
Signature of Grantee's Duly Authorized Representative

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**EXHIBIT F**

**DEAAG PROJECT IMPACT REPORT**

GRANTEE

TMPC GRANT NUMBER:

Project Name:

Grantee Name:

Address:

Telephone:

Fax:

Contact Person:

E-mail:

Time Period Covered by Report: \_\_\_\_ to \_\_\_\_

**Grant Project Performance Measures:**

- Create, retain, or train \_\_\_\_ jobs by the completion of the Grant Project
- Grant Project Description:
- Grant Project Address:

**Jobs Created**

<b>Time Period</b>	<b>Active Full Time Jobs Created, Retained or Students Trained</b>
EX. 01/12 – 03/12	
Total	

**Breakdown of Jobs Created**

<b>Job Type</b>	<b>Jobs Created or Retained This Reporting Period</b>	<b>Total Jobs Created to Date</b>
Direct Permanent Jobs		
Indirect Permanent Jobs		
Individuals Trained		
Total		

Businesses assisted or created this period: \_\_\_\_\_

Businesses assisted or created to date: \_\_\_\_\_

**Grant Project Financial Impact**

- Narrative summary of Impact:
- Update on current Grant Project Status (include curriculum updates):

**THE SIGNATURE BELOW CERTIFIES THAT THE INFORMATION SUBMITTED IN THIS REPORT IS TRUE AND CORRECT TO THE BEST KNOWLEDGE OF GRANTEE.**

**FOR GRANTEE:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# **AGENDA ITEM #13**



## City Manager's Office

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TO: Mayor and City Commissioners

CC:

FROM: City Manager

DATE: February 10, 2023

SUBJECT: Resolution of Support for Majestic Villas Senior Citizen Rental Housing Development

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### Summary:

Realtex Development Corporation is applying for a Texas Department of Housing and Community Affairs (TDHCA) grant and tax credits to develop a 49 unit Senior Citizen Rental Housing complex in Kingsville.

Their application is due in March with results on award released in July. The developer informs the City Manager that the City of Kingsville's project location will be very competitive for their ask and should score high enough for an award.

Proposed location of the development is on the south side of Carlos Truan wet of Wright Drivie.

If approved by both the City Commission and County Commission, reclamation of 16 greens will take place over the fall and into next fiscal year. The plan will be to close the front nine holes and sod those greens with the new grass. Once playable, the other 9 holes will be closed for sod renovation. It takes roughly three months from a green to be removed from service, rebuilt, allowed to grow, then re-opened for play.

### Recommendation:

- a. Staff recommends approval of the Resolution.





# MAJESTIC VILLAS, LTD

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January 2, 2023

**Via Email:** [mayor@cityofkingsville.com](mailto:mayor@cityofkingsville.com)

Sam Fugate  
Mayor  
City of Kingsville  
400 W. King Avenue  
Kingsville, TX 78363

Dear Mayor Fugate,

Majestic Villas, Ltd., an affiliate of Realtex Development Corporation, is making an application for Housing Tax Credits with the Texas Department of Housing and Community Affairs for Majestic Villas, located on 8.71 acres, at 1420 Senator Carlos Truan Blvd., Kingsville, TX in Kleberg County (map detail below). This New Construction is for a proposed apartment community and comprised of approximately 49 units of which 45 will be for low-income tenants. The residential density of the Development, i.e., the number of units per acre is approximately 5.62.

In the spring, the Department will hold public hearings in various locations around the state to gather input on Competitive Housing Tax Credit applications. The hearing schedule along with contact information for written public comment will be posted on TDHCA's Public Comment Center website later this year.

An interested party or Neighborhood Organization can provide comments on any and all applications at each hearing, or can provide written comments to the Department by email at [HTCPC@mail.tdhca.state.tx.us](mailto:HTCPC@mail.tdhca.state.tx.us), or by mail at:

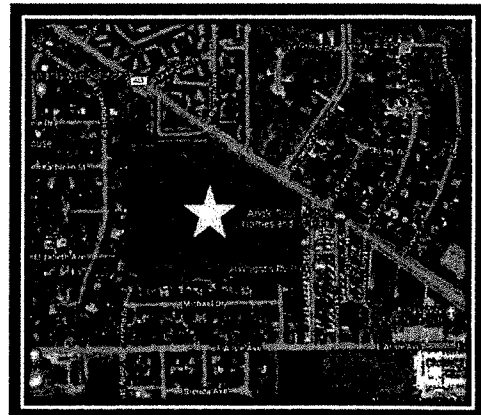
Texas Department of Housing and Community Affairs  
Public Comment - Multifamily Finance Division  
P.O. Box 13941  
Austin, Texas 78711-3941

Note that in order for input on Competitive Housing Tax Credit applications to be included in the materials relating to presentation for awards to be provided to the Governing Board of the Texas Department of Housing and Community Affairs; such input must be received by the Department by 5:00 p.m., Austin local time, on June 01, 2023.

Sincerely,

*Rick J. Deyoe*

Rick J. Deyoe  
Authorized Representative of Majestic Villas, Ltd.  
1114 Lost Creek Blvd, Suite G20  
Austin, TX 78746  
Phone: 512-306-9206  
Fax: 512-306-9010  
[rdeyoe@realtexdevelopment.com](mailto:rdeyoe@realtexdevelopment.com)



**RESOLUTION NO. 2023-\_\_\_\_\_**

**A RESOLUTION OF THE CITY OF KINGSVILLE SUPPORTING THE COMPETITIVE HOUSING TAX CREDIT APPLICATION OF MAJESTIC VILLAS, LTD. FOR AN AFFORDABLE SENIOR CITIZEN RENTAL HOUSING DEVELOPMENT IN KINGSVILLE, TEXAS.**

**WHEREAS**, the City of Kingsville recognizes the importance of housing for low-income citizens including senior citizens;

**WHEREAS**, the City of Kingsville supports the new construction of affordable rental units for senior citizens;

**WHEREAS**, Majestic Villas, Ltd., an affiliate of Realtex Development Corporation, has proposed a 49-unit development for affordable rental housing to serve senior citizens at 1420 Senator Carlos Truan Blvd., Kingsville, Kleberg County, Texas;

**WHEREAS**, Majestic Villas, Ltd. has advised that it intends to submit an application to the Texas Department of Housing and Community Affairs (TDHCA) for 2023 Competitive 9% Housing Tax Credits for the proposed new development state above;

**WHEREAS**, Realtex Development Corporation is requesting a resolution of support and the waiving of \$250.00 in building permit fees to ensure they have a competitive application to submit;

**NOW, THEREFORE, BE IT RESOLVED BY THE KINGSVILLE CITY COMMISSION:**

I.

**THAT** the City of Kingsville, acting through its governing body, hereby supports and endorses the Majestic Villas project along with the waiving of \$250.00 in permit or other fees, for the proposed development located at 1420 Senator Carlos Truan Boulevard (Application # 23168) and that this formal action has been taken to put on record the opinion expressed by the city commission on this 13<sup>th</sup> day of February, 2023, and;

II.

**THAT** this Resolution shall be and become effective on or after adoption.

III.

**THAT** for and on behalf of the Governing Body, Mary Valenzuela, City Secretary, is hereby authorized, empowered, and directed to certify these resolutions to the Texas Department of Housing and Community Affairs.

**PASSED AND APPROVED** this 13th day of February, 2023.

\_\_\_\_\_  
Sam R. Fugate, Mayor

**ATTEST:**

\_\_\_\_\_  
Mary Valenzuela, City Secretary

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Courtney Alvarez, City Attorney

# **AGENDA ITEM #14**



## City Manager's Office

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TO: Mayor and City Commissioners

CC:

FROM: City Manager

DATE: February 10, 2023

SUBJECT: Out of State Travel Request For Mayor and City Manager

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### Summary:

The Mayor and City Manager will be traveling to Washington D.C. for meetings with elected and U.S. Navy officials to update them on the City of Kingsville and NAS Kingsville. Travel will be on Wednesday, February 15, 2023, and return on Friday, February 17, 2023. Itinerary is as follows:

#### February 15, 2023

Depart Corpus Christi International Airport at 5:30am, Arrive Washington Regan National 11:55am.

3:30-4:30 EST meeting with VADM Lindsey, Commander Naval Installations Command at the Washington Navy Yard.

Hotel in Crystal City

#### February 16, 2023

9:15-9:45 am EST meeting with Mr. Robert Thompson, SES at USN Assistant Secretary of the Navy for EI&E

1:00-2:00pm EST meeting with Owen Dankworth, MLA for Congressman Jake Ellzey (Dallas)

3:00-4:00pm EST meeting with Tim Dill, MLA for Senator Ted Cruz

Depart Washington D.C. Friday at 1pm.

Travel Funds Used by the Mayor, City Commission and City Manager to date:





## City Manager's Office

Training and Travel Funds Available							
Nave	Beginning Balance	Funds Used this FY	Remaining Balance	D.C. Travel	Mobile AL USS Kingsville	New York City	Projected Balance
Mayor Fugate	\$7,000.00	\$750.17	\$6,249.83	\$1,300.00	\$1,500.00		\$3,449.83
Commissioner Hinojosa	\$7,000.00	\$1,757.36	\$5,242.64				\$0.00
Commissioner Alvarez	\$7,000.00	\$1,780.02	\$5,219.98		\$1,500.00	\$3,200.00	(\$1,700.00)
Commissioner Lopez	\$7,000.00	\$1,468.70	\$5,531.30		\$1,500.00		\$1,500.00
Commissioner Torres	\$7,000.00	\$110.20	\$6,889.80		\$1,500.00	\$3,200.00	(\$1,700.00)
City Manager Mark McLaughlin	\$7,000.00	\$909.59	\$6,090.41	\$1,300.00	\$1,500.00		\$1,500.00

### Travel Costs:

- Airfare estimated at \$700 round trip per person.
- Hotel estimated at \$200/night.
- Parking, and Metro Fees \$40
- Per Diem \$150

### Recommendation:

- Funding for the Mayor will come from line item 001-5-1000-31601
- Funding for the City Manager will come from line item 001-5-1010-31606
- Recommend Commission Approval



# **AGENDA ITEM #15**



## City Manager's Office

TO: Mayor and City Commissioners

CC:

FROM: City Manager

DATE: February 10, 2023

SUBJECT: Out of State Travel Request to attend christening of the USS Kingsville in Mobile, Alabama from April 21-22

### Summary:

The Department of the Navy and Austal Shipbuilding in Mobile, Alabama, announced the official christening of the USS Kingsville. The date is Saturday, April 22, 2023. The ceremony commences at 10:00am. There is also a dinner (invite list not yet released) hosted by the Austal Shipbuilding Company on the evening of Friday, April 21, 2023.

At present, it appears that the Mayor and all City Commissioners with the exception of Commissioner Hinojosa will attend. The City Manager and the Director of the EDC shall also attend. Manny's travel shall be paid for by the EDC/Industrial Foundation.

### Recommendation:

- Projected City Commission travel budgets need to be discussed prior to recommendation for travel.
- Staff recommend approval of out of state travel for those the City Commission recommends.

Training and Travel Funds Available							
Nave	Beginning Balance	Funds Used this FY	Remaining Balance	D.C. Travel	Mobile AL USS Kingsville	New York City	Projected Balance
Mayor Fugate	\$7,000.00	\$750.17	\$6,249.83	\$1,300.00	\$1,500.00		\$3,449.83
Commissioner Hinojosa	\$7,000.00	\$1,757.36	\$5,242.64				\$0.00
Commissioner Alvarez	\$7,000.00	\$1,780.02	\$5,219.98		\$1,500.00	\$3,200.00	(\$1,700.00)
Commissioner Lopez	\$7,000.00	\$1,468.70	\$5,531.30		\$1,500.00		\$1,500.00
Commissioner Torres	\$7,000.00	\$110.20	\$6,889.80		\$1,500.00	\$3,200.00	(\$1,700.00)
City Manager Mark McLaughlin	\$7,000.00	\$909.59	\$6,090.41	\$1,300.00	\$1,500.00		\$1,500.00

### Travel Costs:

- Airfare estimated at \$600 round trip per person.







### **City Manager's Office**

- b. Hotel estimated at \$200/night.
- c. Rental car at \$90/day.



# **AGENDA ITEM #16**



## City Manager's Office

TO: Mayor and City Commissioners

CC:

FROM: City Manager

DATE: February 10, 2023

SUBJECT: Out of State Travel Request to attend the NALEO Convention in New York City in from July 10-14, 2023

### Summary:

Commissioners Torres and Alvarez have expressed an interest to attend the NALEO Convention in New York City. The dates of the convention are July 11-13, with travel days on the 10<sup>th</sup> and 14<sup>th</sup> respectively.

The City staff has no information on the convention costs, nor hotel discounts for the convention.

### Recommendation:

- Projected City Commission travel budgets need to be discussed prior to recommendation for travel.
- Staff will arrange accommodations per City Commission recommendation.

Training and Travel Funds Available							
Nave	Beginning Balance	Funds Used this FY	Remaining Balance	D.C. Travel	Mobile AL USS Kingsville	New York City	Projected Balance
Mayor Fugate	\$7,000.00	\$750.17	\$6,249.83	\$1,300.00	\$1,500.00		\$3,449.83
Commissioner Hinojosa	\$7,000.00	\$1,757.36	\$5,242.64				\$0.00
Commissioner Alvarez	\$7,000.00	\$1,780.02	\$5,219.98		\$1,500.00	\$3,200.00	(\$1,700.00)
Commissioner Lopez	\$7,000.00	\$1,468.70	\$5,531.30		\$1,500.00		\$1,500.00
Commissioner Torres	\$7,000.00	\$110.20	\$6,889.80		\$1,500.00	\$3,200.00	(\$1,700.00)
City Manager Mark McLaughlin	\$7,000.00	\$909.59	\$6,090.41	\$1,300.00	\$1,500.00		\$1,500.00

### Travel Costs:

- Airfare estimated at \$800 round trip per person (cheapest rate is from Corpus Christi).
- Hotel estimated at \$450/night at Marriott Marquis (cheapest prepaid rate).
- Ground Transportation \$200.
- Per Diem \$79 per day.
- Convention fee - Unknown



# NALEO 40th Annual Conference

🕒 Tuesday, July 11 - Thursday, July 13



Time shown in  
CST -06:00

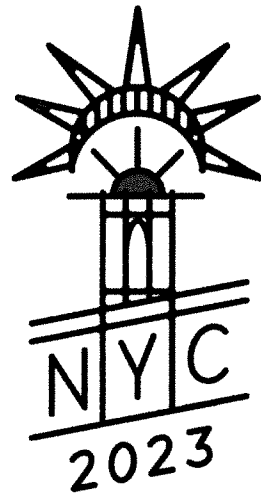
The nation's largest and most prestigious gathering of Latino elected and appointed officials and their advocates.

[Add to Calendar](#)

Powered by

# NALEO 40<sup>TH</sup> ANNUAL CONFERENCE

**ADD TO CALENDAR**



Join our newsletter for  
Conference updates!

First Name

Last Name

# **AGENDA ITEM #17**

# **AGENDA ITEM #18**

# **AGENDA ITEM #19**