

City of Kingsville, Texas

AGENDA CITY COMMISSION

MONDAY, JULY 22, 2024

REGULAR MEETING

CITY HALL

HELEN KLEBERG GROVES COMMUNITY ROOM

400 WEST KING AVENUE

5:00 P.M.

Live Videostream: <https://www.facebook.com/cityofkingsvilletx>

I. Preliminary Proceedings.

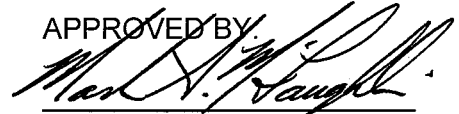
OPEN MEETING

INVOCATION / PLEDGE OF ALLEGIANCE – (Mayor Fugate)

MINUTES OF PREVIOUS MEETING(S)

Regular Meeting – June 10, 2024

APPROVED BY



Mark McLaughlin
City Manager

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

None.

III. Reports from Commission & Staff.²

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

IV. Public Comment on Agenda Items.³

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being discussed separately unless requested by a Commission Member in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon.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 City of Kingsville Code of Ordinances Chapter VII, Article 5-Traffic Schedules, Schedule I (D), revising the speed limit on certain areas of General Cavazos Boulevard. (FM1356); providing for appropriate penalties fines, and fees regarding the regulation thereof; repealing all ordinances in conflict wherewith and providing for an effective date and publication. (City Engineer).
2. Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to provide additional funding for Parks vehicle and equipment maintenance. (Parks Director).
3. Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to adjust budgets based on audited beginning fund balances for FY23-24. (Finance Director).
4. Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to provide funding for the payback of the HRSA Cares Provider Relief Fund due to non-submittal of reports. (Finance Department).

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. **Items for consideration by Commissioners.⁴**

5. Consider introduction of an ordinance amending the Fiscal Year 2023-2024 Budget to provide funding for the replacement of Police Department SWAT team ballistic body armor. (Police Chief).
6. Consider a resolution authorizing the Chief of Police to enter into a Memorandum of Understanding between the City of Kingsville Police Department and the Regional Organized Crime Information Center (ROCIC). (Police Chief).
7. Consider a resolution authorizing the City to submit an application to the 2025 1PointFive First Responder Donation Program for grant funds for first responder equipment, gear, and training for the Kingsville Police & Fire Departments. (Police Chief).
8. Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Sections 15-3-51 and 9-10-1 through 9-10-5, providing for revisions to the sidewalk regulations, repealing all ordinances in conflict herewith and providing for an effective date and publication. (Director of Planning and Development Services).

9. Consider a resolution approving the City of Kingsville Investment Policy and Investment Strategies; designating the City Manager, Director of Finance, and City Accounting Manager as the authorized city representatives with full authority for investment purposes, and providing for disclosure of financial interest. (Finance Director).
10. Consider introduction of an ordinance amending the Fiscal Year 2023-2024 Budget to setup budget for the CO Series 2024 Bond Issue for the fire station and related equipment. (Finance Director).
11. Consider authorizing use and reallocation of ARP Funds for water meter project. (Purchasing Manager).
12. Consider introduction of an ordinance amending the Fiscal Year 2023-2024 Budget to reallocate General Fund ARP funding for the fire station design to Utility Fund ARP funding for the water meter project. (Purchasing Manager).
13. Consider a resolution authorizing the City Manager to enter into a Commercial Listing Agreement Termination between the City of Kingsville and Nichole Saenz of eXp Realty, LLC for the sale of the north side of the 400 Block of East Caesar Ave., Kingsville, Texas, also known as 9th Block 24, Lots ALL and S/2 of closed Ragland St., also known as the old hospital site. (Purchasing Manager).
14. Consider a resolution adopting the City of Kingsville Administrative Policies and Procedures Manual Policy 890.12 – Mother- Friendly Policy. (Human Resources Director).
15. Consider a resolution amending the City of Kingsville Administrative Policies and Procedures Manual, Policy 830.00-Substance Abuse Policy. (Human Resources Director).
16. Workshop: discussion on potential fees changes for city services. (City Manager).
17. Executive Session: Pursuant to Section 551.074, of the Texas Open Meetings Act, the City Commission shall convene in executive session to deliberate the evaluation & duties of the City Manager. (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 Commission Chambers 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 at City Hall, City of Kingsville, 400 West King Avenue, 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:

July 17, 2024, at 10:30 A.M. and remained so posted continuously for at least 72 hours proceeding the scheduled 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)**

JUNE 10, 2024

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JUNE 10, 2024, 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
Edna Lopez, Commissioner
Norma N. Alvarez, Commissioner
Hector Hinojosa, Commissioner
Leo Alarcon, Commissioner

CITY STAFF PRESENT:

Mark McLaughlin, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Kyle Benson, Director of Information & Technology
Derek Williams, IT
Emilio Garcia, Health Director
John Blair, Chief of Police
Diana Gonzalez, Human Resources Director
Erik Spitzer, Director of Planning & Development Services
Leticia Salinas, Accounting Manager
Deborah Balli, Finance Director
Susan Ivy, Park Director
Bill Donnell, Public Works Director
Rudy Mora, City Engineer
Charlie Sosa, Purchasing Manager
Manny Salazar, Economic Development Director
Juan J. Adame, Fire Chief
Richard Denton, Acting Lt. Officer
Kwabena Agyekum, Senior Planner/HPO

I. Preliminary Proceedings.

OPEN MEETING

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

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 – May 13, 2024

Special Meeting – May 16, 2024

Motion made by Commissioner Lopez to approve the minutes of May 13, 2024, and May 16, 2024, as presented seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Fugate voting “FOR”. Alarcon “ABSTAINED”.

Regular Meeting – May 28, 2024

Motion made by Commissioner Lopez to approve the minutes of May 28, 2024 as presented, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez voting “FOR”. Fugate “ABSTAINED”.

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

1. Public Hearing to consider the advisability of the creation of Reinvestment Zone Number Two, City of Kingsville, Texas for Tax Increment Financing Purposes pursuant to Chapter 311, Texas Tax Code. (Economic Development Director).

Mayor Fugate read and opened this public hearing at 5:04 p.m. Mayor Fugate further announced that this is a public hearing. 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 the City Commission.

Mr. Manny Salazar, Economic Development Director stated that this is in reference to the Flato Projects, The King's Plaza. A TIRZ is the most logical way to move this project forward and reinvigorate this area in town. This area has lagged behind in some developments and with this it will be a way to incentivize developers to improve infrastructure.

Ms. Natalie Moore from David Pettit Economic Development, gave a presentation on the proposed Tax Increment Reinvestment Zone #2. She stated that a tax increment financing is a tool that incentivizes economic development within a Tax Increment Reinvestment Zone (TIRZ) which is governed by Tax Code, Chapter 311. Hundreds of TIRZ have been created in the State of Texas. Cities alone or in partnership with other taxing units can use this tool to pay for improvements in a zone so it will attract new development, facilitate investment, and bring the excitement of energy to a designated area. Ms. Moore stated that a TIRZ is a private development activity expected to occur within a designated area. It provides a funding source without impacting the current amount of general fund revenues for each participating taxing entity. The ability to leverage revenues from taxable property within the TIRZ to generate a larger increment. A TIRZ attracts potential developers and investment into an area that may not otherwise occur. A TIRZ can pay for infrastructure, public improvements, economic development programs, or other projects benefiting the zone. The TIRZ creation process is as follows: Chapter 311 outlines the various procedures for creating and amending a TIRZ. There are two main documents in this, a creation of an ordinance and TIRZ project and a financing plan. Another is the creation of an ordinance that establishes five key elements: 1) boundary, 2) term, 3) TIRZ Board, 4) city participation, and 5) preliminary project and financing plan. The final project and financing plan is after TIRZ creation the final project and financing plan is recommended by the TIRZ Board and approved by the City Commission by a separate ordinance. The overview of the proposed TIRZ #2, goal is to encourage private development that will yield additional tax revenue to all taxing jurisdictions. The area consists of approximately 39 acres and the base value would be as of January 1, 2024. This is a 30-year term with December 31, 2054, being the final year's tax to be collected by September 30, 2055. There is a potential for Kleberg County to participate, subject to a yet-to-be-negotiated interlocal agreement. The land within the zone is well-positioned for future development and redevelopment. David Pettit Economic Development projects that retail and multifamily development could occur during the life of the TIRZ, based on market trends, known planned development, and input from city staff. Ms. Moore stated that the next step is this meeting now, June 10, 2024, where the city will create an ordinance. Then on June 24, 2024, the second reading and consideration will take place. The creation of the ordinance establishes five key elements: boundary, term, TIRZ Board, city participation, and preliminary project and financing plan. In the Summer/Fall of 2024, upon TIRZ's creation, the final project and financing plans are approved by the TIRZ Board and then the City Commission by separate ordinance.

Commissioner Hinojosa asked if a different fund would be needed for the TIRZ. Ms. Moore responded yes. Commissioner Hinojosa further asked if the Commission establishes who can be on the TIRZ Board. Ms. Moore responded yes, and they recommended that it be the City Commission and any additional participating taxing entity would get one to two, but

if it was just the city participating then it would only be the Mayor and Commissioners, but it is at the discretion of the city commission.

There being no further discussion, Mayor Fugate closed this public hearing at 5:22 p.m.

III. Reports from Commission & Staff.²

"At this time, the City Commission and Staff will report/update on all committee assignments which may include but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial Services - Information, Investment Report, Quarterly Budget Report, Monthly Financial Reports; Police & Fire Department – Grant Update, Police & Fire Reports; Street Updates; Public Works-Building Maintenance, Construction Updates; Park Services - grant(s) update, miscellaneous park projects, Administration –Workshop Schedule, Interlocal Agreements, Public Information, Hotel Occupancy Report, Quiet Zone, Proclamations, Health Plan Update, Tax Increment Zone Presentation, Main Street Downtown, Chapter 59 project, Financial Advisor, 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 city staff is tracking the tropics as there may be a storm coming to the area. He further reported that the distributor has arrived and crews will begin working on the second half of 11th Street. Mr. McLaughlin reported that city offices will be closed on Wednesday, June 19, 2024 for the Juneteenth Holiday. Mr. McLaughlin further introduced the new K9 Luca, a Dutch Shepard that has joined the Kingsville Police Department. Luca is 2 ½ years old and is assigned to Acting Lt. Richard Denton.

Ms. Courtney Alvarez, City Attorney reported that the next city commission meeting is scheduled for June 24, 2024. The deadline for staff to submit agenda items for the upcoming meeting is June 14th. Ms. Alvarez further reported that the commission had approved a resolution for BASF to do a half-enterprise project through the Texas Enterprise Zone Fund which will not cost the city any money, this helps them to get some funding for a period of time for job creation or job retention. She further commented that the city has received notice that the application has been approved by the State.

Commissioner Hinojosa commented that he met with both Mr. McLaughlin and Ms. Alvarez regarding the \$537,000 check that was released. He stated that he was disappointed that it was paid before the city received all the money. He also stated that had it been done correctly it would be paid on a pay as you go system, as they receive the money, we should have been paid, but we never did tell the administration to go ahead and get that money back. He further stated that in all fairness it should have been paid as they file the report then they receive the money and then they report the amount they receive, then at that time the city can pay it. He further stated that he still feels that they have not finished the project and he has heard from reliable sources that they needed the city's money so that they can continue finishing the project. He stated that he was provided a document that states that this is what was filed which was a document as of 331. He further stated that he still feels uncomfortable and has expressed his displeasure with Mr. McLaughlin and Ms. Alvarez, but staff accepted it but he would not have accepted it.

IV. Public Comment on Agenda Items.³

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

No public comments made.

V.

Consent Agenda
Notice to the Public

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

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

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

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

1. **Motion to approve final passage of an ordinance amending the zoning ordinance granting a Special Use Permit to South Texas Stash, LLC for a Take 5 Oil Change Store in C2-Retail at Erard Est #3, Lot 1, (Verizon) (Property ID #33088), also known as 1401 E. General Cavazos Blvd., Kingsville, Texas. (Director of Planning and Development Services).**
2. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate additional funding for Tyler Utility Billing Software increases. (Finance Director).**
3. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to accept and expend donation from the Brookshire Foundation for pool equipment and recreation programs for the Parks Department. (Parks Director).**
4. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for the Golf Course Hydroseeding Project. (Parks Director).**
5. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for emergency repair to Police Department AC unit. (Purchasing Manager).**
6. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for the Chamberlain Park bathroom roof. (Purchasing Manager).**
7. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for Street Department vehicle repairs. (Public Works Director).**
8. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for waterline repairs. (Public Works Director).**
9. **Motion to approve final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to reallocate UF ARP funding for water line repairs. (18-inch water line repairs). (Public Works Director).**

REGULAR AGENDA

CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:

VI. Items for consideration by Commissioners.⁴

10. Consider appointing Krystal Emery to the Planning & Zoning Commission for a two-year term. (City Manager).

Motion made by Commissioner Hinojosa to approve the appointment of Krystal Emery to the Planning & Zoning Commission for a two-year term, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".

11. Consider introduction of an ordinance of the City Commission of the City of Kingsville, Texas, pursuant to Chapter 311 of the Texas Tax Code, creating Tax Increment Financing Reinvestment Zone Number Two, City of Kingsville, Texas. (Economic Development Director).

Mayor Fugate thanked Mr. Manny Salazar, Economic Development Director, for his work on this project. This is long overdue and much needed.

Introduction item.

12. Consider a resolution authorizing the Chief of Police to enter into a Memorandum of Understanding between the City of Kingsville Police Department and the National Insurance Crime Bureau for Law Enforcement ISO ClaimSearch Access. (Police Chief).

Mr. John Blair, Chief of Police stated the police department seeks approval to enter into a Memorandum of Understanding (MOU) with the National Insurance Crime Bureau (NICB). This partnership is critical for enhancing the department's capabilities in various complex criminal investigations. The proposed collaboration between the Kingsville Police Department (KPD) and NICB is designed to significantly strengthen the investigative reach and efficiency. This MOU will enable the KPD to leverage NICB's extensive databases, case preparation assistance, and participate in Regional Task Forces operating nationwide. These tools will facilitate seamless information sharing, fostering greater cooperation and synergy between law enforcement entities. By integrating NICB's resources into our operations, we enhance the ability to proactively address emerging threats and ensure the safety and security of our community. There is no financial impact to the city.

Motion made by Commissioner Lopez to approve the resolution authorizing the Chief of Police to enter into a Memorandum of Understanding between the City of Kingsville Police Department and the National Insurance Crime Bureau for Law Enforcement ISO ClaimSearch Access, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alarcon, Lopez, Alvarez, Hinojosa, Fugate voting "FOR".

13. Consider a resolution authorizing the Chief of Police to enter into a Memorandum of Understanding between the City of Kingsville Police Department and the Texas Comptroller of Public Accounts. (Police Chief).

Chief Blair stated that this is an MOU with the Texas Comptroller of Public Accounts (CPA). This partnership is crucial for augmenting the department's capabilities in addressing various complex criminal investigations. By leveraging the CPA's extensive databases and authoritative capabilities, KPD will be better equipped to address emerging threats, thereby ensuring the safety and security of the community. There is no financial impact to the city.

Motion made by Commissioner Lopez to approve the resolution authorizing the Chief of Police to enter into a Memorandum of Understanding between the City of Kingsville Police Department and the Texas Comptroller of Public Accounts, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

14. Consider a resolution authorizing the Police Chief to enter into an Asset Disposition Services Agreement between the City of Kingsville Police Department and PropertyRoom.com, Inc. (Police Chief).

Chief Blair stated that an agreement with Asset Disposition Services Agreement with PropertyRoom.com, Inc. to ensure compliance with industry standards for disposing of or selling found or recovered property. The proposed collaboration aims to enhance the efficiency and standards of the department in handling seized, found, and unclaimed property. Some key benefits for KPD are chain of custody tracking, item pickup and management, comprehensive auction management, revenue generation, and security. This service agreement aligns KPD with industry best practices, ensuring transparency and efficiency in the disposal of found or recovered property. There is no financial impact to the city.

Motion made by Commissioner Lopez to approve the resolution authorizing the Police Chief to enter into an Asset Disposition Services Agreement between the City of Kingsville Police Department and PropertyRoom.com, Inc., seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

15. Consider approval to use ARP Funds for the removal of four trees in the downtown area. (Purchasing Manager).

Mr. Charlie Sosa, Purchasing Manager that city staff is seeking approval of ARP funding for the removal of 4 oak trees located at Kleberg Ave. and Seventh St. The mature oak trees are posing a threat to drainage clogging with the leaves and acorns. The roots are lifting the new concrete sidewalks and acorns are a trip hazard to vendors and customers. Staff is requesting the amount of \$16,000 from ARP funding for the removal of said oak trees.

Motion made by Commissioner Hinojosa to approve the use of ARP Funds for the removal of four trees in the downtown area, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Lopez, Alvarez, Alarcon, Fugate voting "FOR".

16. Consider a resolution authorizing the City Manager to execute a Reimbursement Agreement for Preliminary Engineering Services with Union Pacific Railroad Company. (City Manager).

Mr. McLaughlin stated that as the city is experiencing growth on the south side of town, primarily of residential nature on the south side of town, and is interested in having a railroad crossing installed at West Escondido Road near South 6th Street. The Union Pacific Railroad Company (UPRR) controls the railroad tracks and right of way around its track through the county and state. The UPRR has indicated that at least two existing railroad crossings would need to be closed prior to allowing a new railroad crossing to be built. The city has proposed a plan for closing the crossing at West Kenedy and West Alice in order to open one at West Escondido. In order to consider the plan, the two parties must approve a Reimbursement Agreement for Preliminary Engineering Services which will allow UPRR engineers to perform a preliminary engineering study of the proposed project to determine the work and expense involved, which would be performed at the city's expense. This project will improve citizen safety in the affected areas.

Commissioner Alvarez asked if city staff had received any complaints pertaining to the closure of the railroad crossing. Mr. McLaughlin responded no.

Mayor Fugate commented that Zarsky's Lumber is okay with the closure of the crossing.

Commissioner Lopez commented that her concern is for emergency crews. Mr. McLaughlin stated that emergency crews don't often use this crossing.

Motion made by Commissioner Alarcon to approve the resolution authorizing the City Manager to execute a Reimbursement Agreement for Preliminary Engineering Services with Union Pacific Railroad Company, seconded by Commissioner Lopez and Commissioner Hinojosa. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

17. Consider introduction of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for the Reimbursement Agreement for Preliminary Engineering Services with Union Pacific Railroad Company for the Escondido Rail Crossing Project. (City Manager).

Introduction item.

18. Consider a resolution of the City of Kingsville, Texas finding that AEP Texas Inc.'s requested increase to its electric transmission and distribution rates and charges within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel. (City Attorney).

Motion made by Commissioner Hinojosa to approve the resolution of the City of Kingsville, Texas finding that AEP Texas Inc.'s requested increase to its electric transmission and distribution rates and charges within the City should be denied; finding that the City's reasonable rate case expenses shall be reimbursed by the company; finding that the meeting at which this resolution is passed is open to the public as required by law; requiring notice of this resolution to the company and legal counsel, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

19. Consider final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for Shift 4 credit card processing fees for Tourism. (Tourism Director).

Ms. Janine Reyes, Tourism Director stated that this item was presented at the previous commission meeting by Mrs. Alicia Tijerina, Downtown Manager, Tourism among other departments have recently taken on this new point of sale system and they have faced about 25 times higher fees than they have budgeted in years past to take in this credit card processing and additionally track inventory. Due to the increase staff is now having to ask for this budget amendment. She further stated that they do have a substantial amount in fund balance to cover the \$3,000 that is being requested and is working with Finance to see if they can get a handle on the fees they are facing right now, so that they don't experience this next year.

Commissioner Hinojosa asked when it was decided to go with this contract and was it in 2019. Ms. Reyes responded that she did not negotiate this contract. Commissioner Hinojosa further asked who negotiated the contract.

Mrs. Deborah Balli, Finance Director, commented that all the outlying departments such as Parks, Tourism and Health Department, staff had to find a way in order to take credit cards

and control the inventory. The service fees that the Tourism Department was paying was just, prior to that was just the processing of credit cards. She further stated that staff never had a way to maintain and manage their inventory and Tourism has \$23,000 of inventory and so the city has to have a way to manage that, along with other departments.

Motion made by Commissioner Alarcon to approve the final passage of an ordinance amending the Fiscal Year 2023-2024 Budget to appropriate funding for Shift 4 credit card processing fees for Tourism, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".

20. Discuss and consider Commission seating arrangements. (Commissioner Hinojosa).

Motion made by Commissioner Hinojosa to have the seating arrangements for the City Commission by place number, Place #1, Place #2, Mayor seat, Place #3, and Place #4, seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Alarcon, Lopez, Alvarez, Hinojosa, Fugate voting "FOR".

21. Consider a resolution appointing a commission member to the City of Kingsville Finance/Audit Committee. (City Attorney).

Motion made by Commissioner Alvarez to nominate Commissioner Hector Hinojosa to the Finance/Audit Committee, seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

22. Consider a resolution appointing a commission member to the City of Kingsville Investment Committee. (City Attorney).

Motion made by Commissioner Hinojosa to reappoint Commissioner Norma Nelda Alvarez to the Investment Committee, seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

23. Consider a resolution appointing two representatives and two alternate representatives to the Coast Bend Council of Governments. (City Manager).

Mayor Fugate asked Mr. McLaughlin if he would like to serve on the Coastal Bend Council of Governments. Mr. McLaughlin responded yes, as a voting member.

Motion made by Commissioner Hinojosa to appoint Commissioner Norma Nelda Alvarez and Commissioner Leo Alarcon as voting members with alternate members being Mark McLaughlin and Hector Hinojosa, seconded by Commissioner Alvarez.

Commissioner Alarcon commented that after reading the notes, he noticed that previous Commissioner Torres replaced Mr. McLaughlin as a voting member of the Coastal Bend Council of Governments (COG). He further asked why this was done.

Mr. McLaughlin stated that it was he and Commissioner Alvarez who swapped positions. He further stated that traditionally the City Manager has been a voting member. Previous Commissioner Torres and Commissioner Alvarez wanted to be on some executive level board that the COG has but you must be an elected official in order to serve on that board. He further stated that from the City Manager's point of view and with the things that the City Manager is involved with, not only the COG but also with the South Texas Military Task Force he sees more of that stuff than anybody else that would be on the COG, which is why he feels that he needs to be placed back on the COG as a voting member.

Commissioner Hinojosa commented to Commissioner Alarcon, that he could decline the nomination if he wishes to do so.

Commissioner Alarcon commented that he will take the nomination but wasn't sure for the reasoning for the last time when the swap took place.

Mr. McLaughlin responded that it was to fill a position on the board that required it to be an elected official.

Commissioner Alvarez commented that as for the alternate, as she used to be the alternate, she attended all the meetings and placing Mr. McLaughlin as the alternate, he could also attend all the meetings.

Mr. McLaughlin commented that he could, but alternates are not given the opportunity to speak at the meetings. The alternate is only there to fill in the spot if a voting member is not able to attend that particular meeting.

Mayor Fugate commented that the City Manager is asking to be appointed as a voting member of the COG and he can understand why the City Manager needs to be appointed as a voting member.

City Secretary, Mary Valenzuela asked for clarification on the motion and asked if the motion was to appoint Commissioner Norma Nelda Alvarez and Commissioner Leo Alarcon as voting members to the COG with Commissioner Hinojosa and City Manager, Mr. McLaughlin as alternate members.

Commissioner Alarcon asked if he could make an amendment to the motion to allow Mr. McLaughlin to be appointed the voting member and he gets appointed as an alternate member.

Commissioner Hinojosa commented that he does not have an issue with the amendment that Commissioner Alarcon would like to make.

Ms. Alvarez commented that it would be best that Commissioner Hinojosa withdraw his motion.

Commissioner Hinojosa commented that he would like to withdraw his initial motion. Commissioner Hinojosa then made a new motion.

Motion made by Commissioner Hinojosa to appoint Commissioner Norma Nelda Alvarez and Mr. Mark McLaughlin, City Manager as voting members to the Coastal Bend Council of Governments and appoint Commissioner Hector Hinojosa and Commissioner Leo Alarcon as alternate members, seconded by Commissioner Alvarez.

Commissioner Alvarez commented that this is a great learning experience and further stated that Commissioner Alarcon can attend all the meetings if he chooses to attend.

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

24. Consider a resolution appointing a Mayor Pro Tempore. (Mayor Fugate).

Mayor Fugate stated that both he and Commissioner Hinojosa have looked at the City Charter amendment and he would like to use the phrase, "it's as clear as Mathis Lake", on

how the Commission should proceed on this. He further stated that there are a couple of things that are very clear, everyone on the commission is equal. The Mayor's vote is the same as the other commissioners with the exception of the Mayor conducting the meetings and it is clear that the Mayor appoints a person to substitute in when the Mayor is absent, which is the Mayor Pro Tem. He further commented that the Mayor is the person to appoint that position and its subject to argument but he will concede that it is subject to approval by the commission. Mayor Fugate stated that he has designated Commissioner Lopez as his substitute to take when he is not available to conduct the business of the city in all regards. This has been done in writing according to the City Charter. He further stated that the reason he has done this is because Commissioner Lopez was the top vote-getter and is the senior commissioner on this commission. Mayor Fugate stated that for these two reasons, he supports Commissioner Lopez. He also commented that if any other commissioner was the top vote-getter, that would have been his decision. He would have appointed that particular individual. He further stated that this is the one thing that he gets to do and he asks for the Commission to support him on his decision.

Commissioner Hinojosa commented that he and Mayor Fugate have had this discussion and the Mayor interprets it one way and he interprets it a different way. Hinojosa stated that he does not interpret it the way Mayor Fugate does and feels that the Mayor needs to get approval from the Commission. Commissioner Hinojosa further stated that the commission received an email from the City Attorney, Ms. Alvarez, stating that it was up to the commission to give consent. It was up to the commission to vote on this matter. Commissioner Hinojosa stated that he respects Mayor Fugate's views.

Commissioner Alarcon stated that he received the agenda packet Thursday evening and has read the resolution and the email sent by Ms. Alvarez. He stated that there was an election in 2020 to change the terms of office for the city commission from a two-year term to four-year term. In 2023 there was another election held to create Places. He stated that when this happened the voters approved the creation of places. Commissioner Alarcon stated that when you are running at-large everyone is in one column and the top four vote-getters are the winners for that election, but this time, everyone was separate and did not have the same people running against each other. He stated that looking at all twelve candidates that filed for this past election, he noticed that out of those twelve candidates, eleven candidates had been on other ballots before. The only candidate that had not been on a ballot before was Rose Marie Damron. When it is said, on the resolution, that it will be repealed, you can't take the fact that a person received the highest votes as he used to get, at one election or another, he used to get the top votes all the time with zero perks. Commissioner Alarcon continued to state that this is all new and with respect to Mayor Fugate, he received the Mayor's note after the fact, after he had received his agenda packet. Commissioner Alarcon commented that he knows everyone on the dais, he and Commissioner Lopez share the same relatives, he carried Commissioner Alvarez's mom casket, went to high school with Mayor Fugate and worked with Commissioner Hinojosa while employed with Kleberg County. He stated that he knows all the Commission very well. He stated that he feels that the commission should start from scratch. He has done his research and this is Commissioner Lopez's fourth term and was Mayor Pro Tem twice. He further asked Commissioner Hinojosa if this was his third term and was Mayor Pro Tem one-time. He then asked Commissioner Alvarez if this was her second term and never has served as Mayor Pro Tem. Commissioner Alarcon stated that he feels that the commission needs to do something different. The commission is supposed to set the precedence and that is if things are changing as we have propositions all the time.

Commissioner Alarcon then tried to make a motion, but was told by Mayor Fugate that he could not make a motion and asked for Ms. Alvarez to assist him. He stated that what the commission votes on is whether or not the commission accept his recommendation, and

that is all. Mayor Fugate stated that there is nowhere in the Charter that this commission can appoint the Mayor Pro Tem.

Commissioner Alvarez commented that the letter Mayor Fugate wrote was not part of the agenda packet.

Ms. Alvarez commented that in the City Charter, Article 5, Section 11, which is only two sentences, for the first sentence has two shall's in it. The first shall, the Mayor and Commission shall exercise equal power and authority in the transaction of business. This is mandatory and a given, but there is only one exception to that, which is where the second shall comes in. The second shall states, the Mayor shall act as the presiding officer of the commission and in his absence a Mayor Pro Tem may be chosen. This is not mandatory but it is there as permissive. Ms. Alvarez further commented that there are two shalls in the first sentence, everyone on the commission are equal and that the Mayor is the presiding officer and in his absence a Mayor Pro Tem can be chosen. She further stated that then you look at the second sentence and there are also two shalls, which states that the Mayor or his representative as may be annually designated by the Mayor in writing. She stated that looking at the first phrase before you finish the sentence it says the Mayor designates his representative annually in writing if he chooses, he may, its not mandatory. But once he does that, the Mayor or his representative has two mandatory obligations, they shall sign all official documents for the city upon the consent and proper instruction from the commission and they shall perform all duties proposed upon the Mayoral position by the Charter and Ordinances or upon order by the Commission. Ms. Alvarez stated that these are the mandatories and the permissive. There is no where else in the Charter or city ordinance that has any contradictory language or any additional language with regard to that. She stated that there is in one other city ordinance a section that discusses what you say here. This is in Section 3-1-13 under Rules of Decorum which state that the Mayor and Commissioners exercise equal power under Subpart M and the Mayor and Commissioners shall exercise equal power and authority in all transactions of the business of the city except that the Mayor in his absence then the Mayor Pro Tem shall act as the presiding officer of commission. Ms. Alvarez stated that the only other time in any official city document that you have the Mayor Pro Tem discussed. It also states that the Mayor shall perform all duties imposed on him by the Charter and the ordinances of the city or upon the order of the commission. She further stated that the ordinance section restates, without providing any additional clarifying language, what is in the charter, because the charter would control over an ordinance.

Mayor Fugate asked how the commission should tend to this procedurally.

Ms. Alvarez responded that as she had not seen it but has been told that, at the end of the second sentence the Mayor has designated someone and has exercised his discretion to designate someone, in writing, to be the Mayor Pro Tem in his absence. Once that designation is made, the Commission votes on that and approves that, which is questionable as to whether or not it is actually necessary but going with as it has been a past practice with the commission to pass a resolution to that affect, then it would be approving or disapproving the Mayor's designation. Ms. Alvarez further stated that there is a city ordinance that was amended a few years ago, 3-1-10, Subpart 5, which states that after an item has been considered by the city commission and fails to be approved, the item shall not be considered on the agenda again for 60 days, unless waiting the 60 days would impact the city financially, in which case the item can be considered in the next available meeting.

Mayor Fugate asked Ms. Alvarez that what is being said to the Commission is that all they vote on is if whether they accept his recommendation or not. He further commented that the commission does not have the authority to select their own Mayor Pro Tem.

Ms. Alvarez responded that under the charter if the Mayor is absent then the Mayor can designate his fill-in.

Commissioner Alvarez asked that the resolution that is before them tonight, which is a blank resolution, what for what reason?

Ms. Alvarez responded that there was no designation made at the time the agenda packet went out.

Commissioner Alvarez further commented that there was nothing in writing when the agenda packet went out. Ms. Alvarez responded that this was correct.

Mayor Fugate commented that there is something in writing now.

Commissioner Alvarez commented that it was not part of the agenda packet.

Commissioner Hinojosa commented that it doesn't say which agenda item.

Mayor Fugate stated that if this was the case, then there is no Mayor Pro Tem.

Commissioner Hinojosa asked that if there is no Mayor Pro Tem, he was the last Mayor Pro Tem that was designated does this mean that he continues the designation for the next 60 days?

Ms. Alvarez responded that not according to the Charter, because the Charter gives the Mayor the prerogative, discretionary right, to select somebody in his absence.

Mayor Fugate commented that he does not intend to nominate another person from this commission. The commission will either approve Commissioner Lopez or the commission will go without a Mayor Pro Tem, as the Charter says they can do so.

Commissioner Alvarez stated that the confusing part is where it states that upon the order of the said commission.

Ms. Alvarez stated that when you go back and breakdown the sentence structurally, and the sentence that Commissioner Alvarez is referring to states "and signs all official documents for the city upon the consent and proper instruction from the commission", meaning that the Mayor does not have the authority to sign contracts, resolutions, or ordinances without the Commission approving those items.

Commissioner Hinojosa asked if the Mayor's designation letter is an official document? Ms. Alvarez responded that it is a document that the Charter authorizes him to approve under the exception.

At this time Commissioner Hinojosa asked for a call for the vote.

Mayor Fugate commented that there is no second to this, as it is his decision.

Mrs. Valenzuela asked Ms. Alvarez for clarification, that a call for a vote can only be made if there is a motion with a second. Ms. Alvarez responded that the Mayor has designated Commissioner Lopez in writing so the resolution would include, although it was known at the time it was published, it would include Commissioner Lopez's name on the resolution, but there would need to be a motion with a second. Mrs. Valenzuela commented that at this time, there is no motion with a second that would call for a vote.

Motion made by Mayor Fugate to approve his nomination of Commissioner Lopez for Mayor Pro Tem, seconded by Commissioner Lopez. The motion failed by a 3-2 vote with Alarcon, Alvarez, Hinojosa voting "AGAINST". Lopez and Fugate voting "FOR".

25. Executive Session: Pursuant to Section 551.072, Texas Government Code, Deliberations regarding Real Property Exception, the City Commission shall convene in Executive Session to discuss the purchase, exchange, lease, or value of real property as deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third party. (City Manager).

Mayor Fugate read the executive session agenda item and convened the meeting into closed session at 6:15 p.m.

Mayor Fugate reconvened the meeting into open session at 6:33 p.m.

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

Motion made by Commissioner Lopez and Commissioner Hinojosa to approve the resolution authorizing staff to move forward with the sale of the City's real property known as Kenedy Park located off 14th Street and East Kenedy Street (5th Addition, Block 4, Lots 17-32 & E 40' of abandoned S. 13th St.) in Kingsville, Texas, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 6:34 p.m.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

CONSENT AGENDA

AGENDA ITEM #1

**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: June 10, 2024
SUBJECT: Consider Ordinance to Reduce Speed along General Cavazos Boulevard (FM 1356) between 6th Street (Bus 77) and US 77.

Summary:

On May 30, 2024, the city received a letter from the Texas Department of Transportation (TxDOT) requesting to lower the speed limit between 6th Street (BUS 77) and US 77 from 45 mph to 35 mph. The area impacted is located inside the TxDOT ROW and the City Limits, serving 1.3 miles.

Background:

TxDOT recently completed a speed study along General Cavazos Boulevard (FM 1356) between 6th Street (BUS 77) and US 77. While the 85th percentile of motorists travel at the posted speed limit of 45 mph, the area has experienced several crashes, including fatality, and high density of driveways in both commercial and residential areas. Based on the accident data between 2019 and 2023, there have been several accidents including fatality, injuries, and hit/runs, as shown in the exhibit. The area experiences high traffic volume due to the presence of a hospital, funeral home, high school, shopping centers, restaurants, proposed new fire station, apartments, church, home improvement and grocery stores.

Financial Impact:

No Impact.

Recommendation:

Staff recommendations approving this ordinance change to reduce the speed limit from 45 mph to 35 mph along General Cavazos Boulevard (FM 1356) between 6th Street (BUS 77) and US 77.

Attachments:

TxDOT Letter – Speed Reduction
Crash Data Exhibit



COK - 5 Year Crash Data (2019-2023) on E Gen. Cavazos Blvd

Drawn by: COK Engineering Dept. | GIS Technician - G. AMAYA | June 4th, 2024



CITY OF KINGSVILLE
ENGINEERING DEPARTMENT
400 West King
Kingsville, Texas 78363
Office 361.595.8007
Fax 361.595.8035

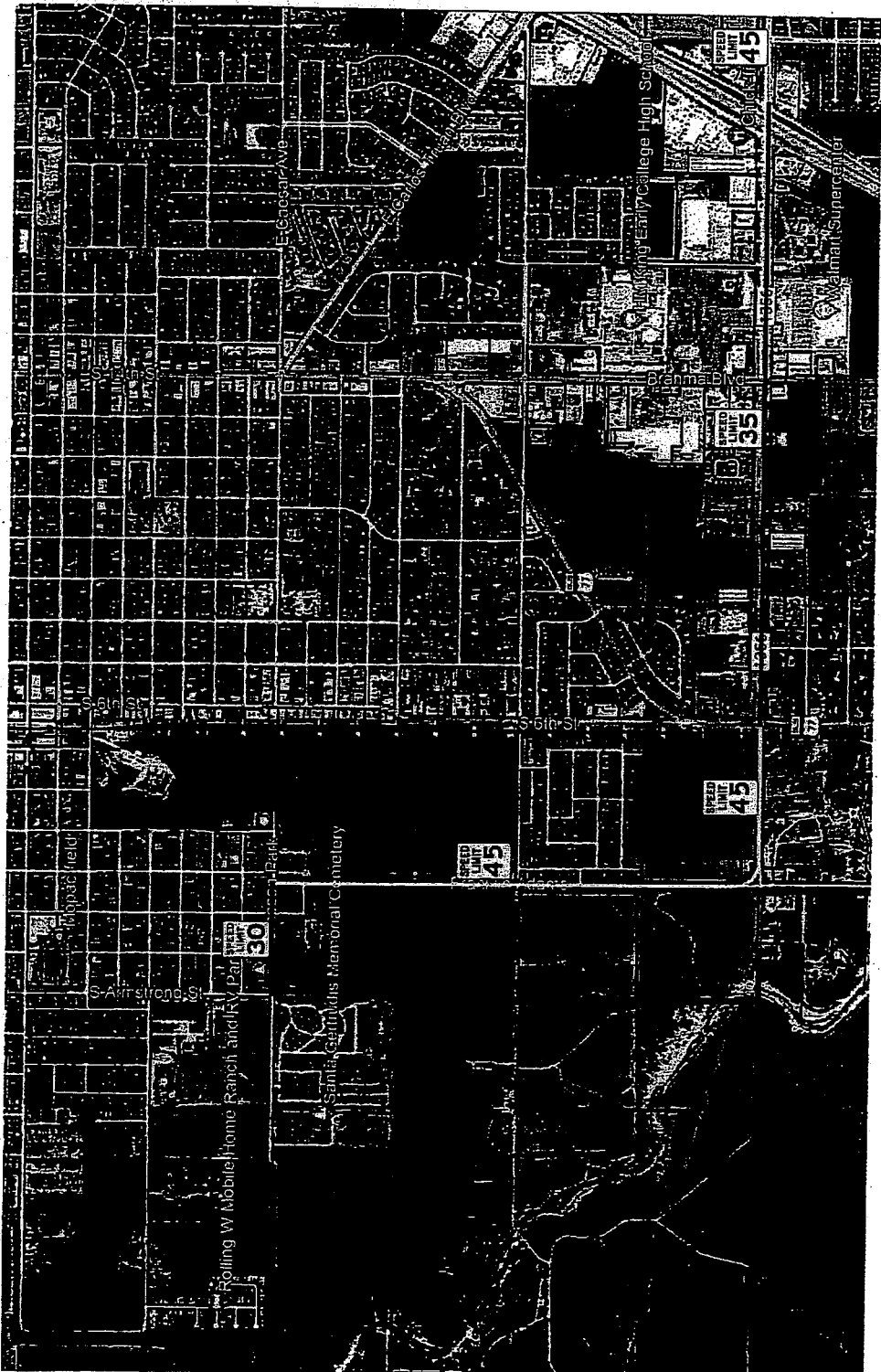




Drawn by: J. RAMIREZ
Date: 06-18-2024
Checked by: R. MORA
Job:
Scale: AS NOTED

CITY OF KINGSVILLE

SPEED LIMIT SIGN EXHIBIT

SHEET
1





1 SPEED LIMIT SIGN EXHIBIT
 N.T.S.



125 E 11th St | Austin, Texas 78701
512.463.8588
txdot.gov

June 11, 2024

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

Dear Mayor Fugate,

My name is America B. Garza, Transportation Engineer Supervisor, at the Texas Department of Transportation (TxDOT) – Corpus Christi District.

We recently conducted a speed study along FM1356, General Cavazos, beginning at BU77 East to E of US77 for a total of 1.331 miles. As a result, the 85th percentile shows that most of the traveling public is driving the posted speed limit of 45mph in both directions.

However, TxDOT is recommending reducing the speed limit based on the following factors: crashes and high driveway density in commercial and residential areas. We are kindly requesting that the City of Kingsville pass a city ordinance to reduce the speed within this roadway segment described below:

- That a 35mph zone be established by the city from BU77 East to approximately 170 ft E US77 for a total of 1.331 miles (figure 1).

If the City of Kingsville concurs with our proposal, please secure city action and return two copies of the city ordinance to our office. Once we have the city ordinance, we will schedule sign installations with the lowered speed limit.

I have attached a map for your reference of the area described. If you have any questions or need additional information, please feel free to contact me at (361) 808-2490.

Respectfully,

DocuSigned by:
America B. Garza
93EB32D69A7D4CB...

America B. Garza, P.E.
Transportation Engineer Supervisor
Corpus Christi District-Traffic Engineering Dept.
361-808-2490
America.Garza@txdot.gov

The Honorable Sam Fugate

2

Date

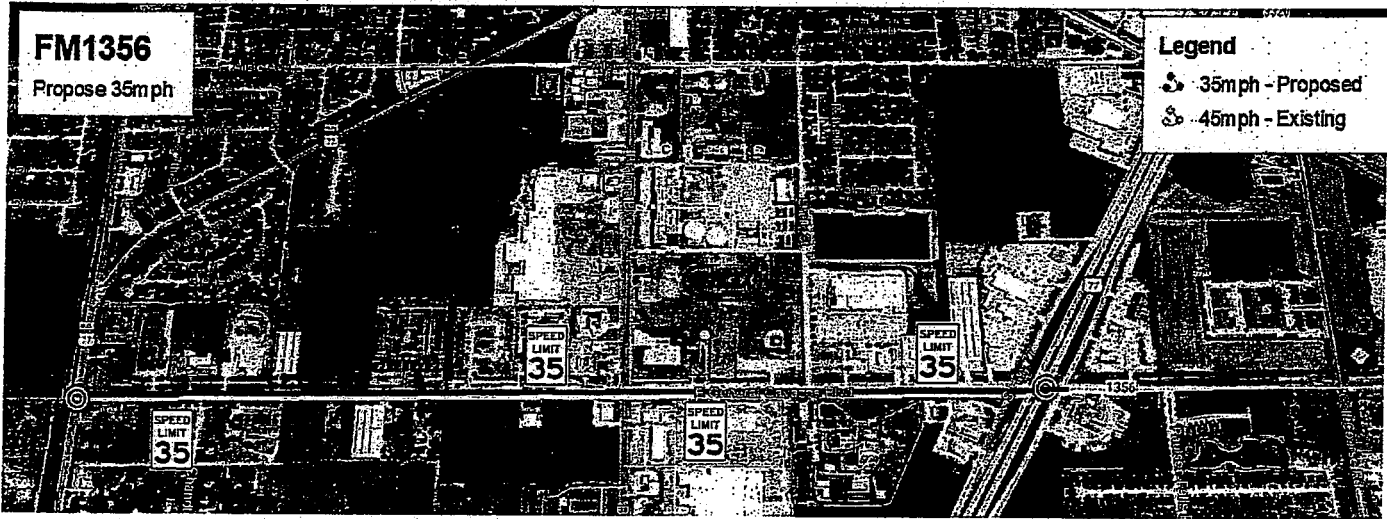


Figure 1: FM1356 (General Cavazos) Proposed Speed Limit

ORDINANCE NO. 2024-_____

AMENDING THE CITY OF KINGSVILLE CODE OF ORDINANCES CHAPTER VII, ARTICLE 5-TRAFFIC SCHEDULES, SCHEDULE I (D), REVISING THE SPEED LIMIT ON CERTAIN AREAS OF GENERAL CAVAZOS BOULEVARD (FM 1356); PROVIDING FOR APPROPRIATE PENALTIES, FINES, AND FEES REGARDING THE REGULATION THEREOF; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING FOR AN EFFECTIVE DATE AND PUBLICATION.

WHEREAS, the Texas Department of Transportation (TxDOT) is responsible for the construction, maintenance, and traffic control on the roadway in question, General Cavazos Blvd., also known as FM1356, ("the road" or "the roadway"); and

WHEREAS, the City Commission of the City of Kingsville approved Resolution #2024-08 on January 22, 2024 supporting a speed study on General Cavazos Blvd. from the US 77 By-Pass to US 77 Business; and

WHEREAS, the roadway in question is owned by TxDOT who advises, via a letter dated June 11, 2024, that they conducted a traffic/speed study earlier this year on that road and want to reduce the speed limit on 1.331 miles of the road from the U.S. Highway 77 (By-Pass) to the intersection with U.S. 77 Business (also known as 6th Street) from 45 mph to 35 mph; and

WHEREAS, TxDOT advised the City that they are recommending the speed limit reduction based on the following factors: crashes and high driveway density in commercial and residential areas and kindly request the City of Kingsville to pass a city ordinance to reduce the speed within the roadway segment as described above and in the ordinance attached hereto; and

WHEREAS, other revisions to the ordinance regarding the speed limit on this roadway are needed to ensure the sign and ordinance are consistent.

WHEREAS, this Ordinance is necessary to protect the public safety, health, and welfare of the City of Kingsville.

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

I.

THAT Schedule I (D) of Article 5: Traffic Schedules of Chapter VII, Traffic Code, of the Code of Ordinances of the City of Kingsville, Texas, shall be amended to read as follows:

§ 7-5 SCHEDULE I: SPEED LIMITS.

...
(D) F.M. Highway No. 1356.

<i>Street</i>	<i>Location</i>	<i>Speed Limit</i>	<i>Ord. No.</i>	<i>Date Passed</i>
F.M. Highway No. 1356	Beginning at the intersection of U.S. Highway 77 (Business) and General Cavazos Blvd. (U.S. Highway No. 1356) to a point 2.628 miles west of U.S. Highway 77 (By Pass) Beginning at a point approximately 170 ft east of U.S. Highway 77 (By-Pass) to the eastern city limits	45 mph	83015	4-18-83
F.M. Highway No. 1356	Beginning at the intersection of Business U.S. Highway 77 going east to approximately 170 ft east of U.S. Highway 77 (By-Pass) for a total of 1.331 miles Beginning at the intersection of U.S. Highway 77 (By Pass) to the intersection with U.S. Highway 77 (Business) in Kingsville	35 mph	=	=
F.M. Highway No. 1356	From a point 2.628 miles west of Business U.S. Highway 77 (By Pass) to the intersection with West Caesar Ave. Armstrong St. in Kingsville	45 30 mph	83015	4-18-83
F.M. Highway No. 1356	From the intersection with West Caesar Ave. to the intersection with Armstrong St. in Kingsville	30 mph		

('62 Code, § 10-4-7)

Penalty, see §1-1-99.

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 be codified and become effective on and after adoption and publication as required by law.

INTRODUCED on this the 24^h day of June, 2024.

PASSED AND APPROVED on this the 22nd day of July, 2024.

Effective: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

AGENDA ITEM #2

Kingsville Parks & Recreation
400 W. King (mailing)
501 Santiago Park Lane (physical)
Kingsville, Texas 78363
361-221-8705
Susan Ivy, Director
361-219-9125



For Information on events and facilities
www.cityofkingsville.com/department/parks
Email:
sivy@cityofkingsville.com
or follow us on Facebook
Kingsville Parks and Recreation

To: Mark McLaughlin, City Manager
From: Susan Ivy, Director of Parks & Recreation
Date: May 30, 2024
Subject: Agenda Request to approve Budget Amendment for additional funds for vehicle/equipment maintenance

Request: We are asking City Commission to approve a budget amendment in the amount of \$6,000 to provide additional funding for vehicle and equipment maintenance for our Parks Maintenance Division.

History: The vehicle inventory for Parks Maintenance including the Van that our Rec staff uses are all very old and continually in the shop over and over again. We have inherited 3 trucks this year with all 3 going to the shop within 2 months of getting them with costly repairs. Our van has been in the shop numerous times. We have already shorted our other line items twice to move \$5,000 into vehicle maintenance already. About \$3,000 came from equipment maintenance. This is high mowing season, lots of tournaments coming this summer will likely need equipment repair in the next 4 months with very little left in that line item.

Financial Impact: This will add \$4,000 to line item 001-5-4503-41100(vehicle maintenance) and \$2,000 to 001-5-4503-41400 (equipment maintenance).

Action: We ask that Commission approve the attached Budget Amendment.

ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO PROVIDE ADDITIONAL FUNDING FOR PARKS VEHICLE AND EQUIPMENT MAINTENANCE.

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 2023-2024 budget be amended as follows:

**CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#49**

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 001 – General Fund					
Expenditures – 5					
4503	Park Maint	Vehicle Maintenance	41100	\$4,000	
4503	Park Maint	Equipment Maintenance	41400	\$2,000	
1030	City Special	Budget Amendment Reserve	86000		\$6,000

[To amend the City of Kingsville FY 23-24 budget to provide additional funding for Parks Vehicle and Equipment Maintenance. Funding for this request will come from the General Fund Budget Amendment Reserve line item. Currently there is \$110,103 available.]

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 24th day of June 2024.

PASSED AND APPROVED on this the 22nd day of July 2024.

EFFECTIVE DATE: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

AGENDA ITEM #3



**City of Kingsville
Finance Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Deborah Balli, Finance Director
DATE: June 18, 2024
SUBJECT: Budget Amendment #48 – Adjust Current Budget for Audited Beginning Fund Balances

Summary:

Each year's budget is based on the estimated ending fund balances for the prior year. Once the audit is completed, our beginning fund balances need to be validated against what is currently budgeted for current year revenues and expenditures. Budget Amendment #48 is the result of this validation.

Financial Impact:

With the exception of Fund 051, all funds included in the budget amendment are reductions to budget and do not have any financial impacts. Fund 051's transfer to Fund 054 could not be reduced resulting in the need to fund this transfer from the Utility Fund Budget Amendment Reserve line item.

Recommendation:

Staff recommends the approval of this budget amendment.

ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO ADJUST BUDGETS BASED ON AUDITED BEGINNING FUND BALANCES FOR FY 23-24.

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 2023-2024 budget be amended as follows:

**CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#48**

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 033 – CO Series 2016					
<u>Expenditures – 5</u>					
6900	Transfer Out	Transfer to Fund 206	80206		\$5,554.05
Fund 206 – Chamberlain Park					
<u>Revenues - 4</u>					
0000	Transfer In	Transfer from Fund 033	75033		\$5,554.05
<u>Expenditures - 5</u>					
4503	Parks	Grounds & Perm Fixt	59100		\$19,204.05
Fund 016 – Stonegarden Grant					
<u>Revenues - 4</u>					
2100	Police	Federal Grant	72005	\$76,862.78	
<u>Expenditures - 5</u>					
2100	Police	Overtime	11227	\$11,154.75	
2100	Police	Motor Gas & Oil	21500	\$256.03	
Fund 051 – Utility Fund					
<u>Expenditures - 5</u>					
6900	Transfer Out	Transfer to Fund 054	80054	\$37,548.95	
7001	WW	Budget Amend Reserve	86000		\$37,548.95

A
B
C
D
E
F
G
H

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 054 – UF Capital Projects					
<u>Revenues - 4</u>					
0000	Transfer In	Transfer from Fund 051	75010	\$37,548.95	I
Fund 068 – CO Series 2013-Drainage					
<u>Expenditures - 5</u>					
3050	Street	Drainage	53100		\$9,303.51 J
Fund 093 – Park Maintenance Fund					
4503	Park Maint	Grounds & Perm Fixt	59100		\$1,090.50 K
Fund 094 – TPW Grant					
<u>Revenues - 4</u>					
0000	Non Dept	Federal Grants	72005	\$2,977.96	L
<u>Expenditures - 5</u>					
4503	Parks Maint	Grounds & Perm Fixt	59100		\$29,638.21 M
Fund 125 – UF ARP					
<u>Expenditures - 5</u>					
6001	Water	Dept YE Reduction	85000		\$511,000.00 N
6900	Transfer Out	Transfer to Fund 121	80121		\$588,800.00
Fund 121 – GF ARP					
<u>Revenues - 4</u>					
0000	75125	Trsf From Fund 125	75125		\$588,800.00 O
<u>Expenditures - 5</u>					
1030	City Special	Professional Services	31400		\$3,407.03 P
1603	Planning	Professional Services	31400		\$15,092.97
4503	Parks	Dick Kleberg Park	59113		\$.50
Fund 128 – TWDB Drainage Location 8					
8600	Drainage	Drainage-Loan	71600		\$29,998.19 Q
Fund 141 – CO Series 2023 UF					
6001	Water	Utility Plant	5400		\$1,140,358.77 R

[To amend the City of Kingsville FY 23-24 budget to adjust budgets based on audited beginning fund balances for FY 23-24. There is no financial impact on Funds 033, 206, 068, 093, 094,

125, 121, 128,141 and 206 as these budgets are being reduced. For Fund 016, this a clean up to adjust the budget for grant funding that has already been received. For Fund 051, the transfer from Fund 051 to Fund 054 needs to still happen and will be funded through the Utility Fund Budget Amendment Reserve line item.]

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 24th day of June 2024.

PASSED AND APPROVED on this the 22nd day of July 2024.

EFFECTIVE DATE: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

Fund Balance FY ending 09/30/2023 - Audited

Fund	Fund Name	FY 23-24 Audited Beginning Fund Balance	Budgeted Current Revenues	Budget Amendment BA#48	Budgeted Current Expenditures	Budget Amendment BA #48	FY 22-23 Unaudited Ending Fund Balance
001	General	8,732,530.18	23,229,642.83		25,952,575.78		6,309,597.23
002	Tourism	572,734.74	659,262.00		630,639.00		601,357.74
005	PD St Seizure	1,033,930.16	53,131.00		399,486.02		687,575.14
009	Law Enforce-PD	0.00	6,705.88		6,705.88		0.00
011	GO Debt Service	590,089.91	2,264,984.00		2,152,727.00		702,346.91
012	UF Debt Service	4,856,833.14	2,251,355.00		2,055,563.00		2,052,625.14
016	PD Stonegarden	0.00	99,514.00	D 76,862.78	164,966.00	E+F 11,410.78	0.00
017	PD Local Borderstar	0.00	78,000.00		78,000.00		0.00
019	PD JAG Grant	0.00	0.00		0.00		0.00
025	Bldg Security	34,837.16	13,350.00		9,000.00		39,187.16
026	Golf Cap Maint	50,900.98	13,568.00		64,468.95		0.03
028	PD Fed Seizure	186,470.63	128.00		30,000.00		106,598.63
031	MC Technology	37,314.05	11,489.00		7,800.00		41,003.05
033	CO 2016	17,357.42	0.00		22,911.47	A (5,554.05)	0.00
051	Utility	5,465,906.60	10,772,406.00		11,935,069.12	G-K 0.00	4,303,243.48
054	UF Cap Proj	189,187.05	66,249.00	J 37,548.95	291,985.00		0.00
055	Stormwater	875,134.26	423,724.00		1,051,790.00		247,068.26
059	Homeland Security	0.00	0.00		0.00		0.00
062	CO 2005	50,468.89	0.00		50,000.00		468.89
066	CO 2011	5,694.45	316.00		6,000.00		0.45
068	CO 2013-Drainage	686,587.61	33,708.88		729,600.00	J (9,303.51)	0.00
083	CID of Gov Grant	0.00	0.00		0.00		0.00
084	DEAAG	507,500.00	0.00		500,000.00		7,500.00
087	SW Cap Project	266,318.20	590,485.00		597,686.17		259,117.03
090	Landfill Closure	2,447,467.08	366,906.17		479,085.00		2,305,288.25
091	GF Cap Project	0.00	0.00		0.00		0.00
092	Street	906,021.15	1,069,126.00		1,319,329.34		655,817.81
093	Park Maintenance	26,406.50	29,503.00		57,000.00	K (1,090.50)	0.00
094	TX Parks Wildlife	0.00	55,209.00	L 2,977.96	87,825.17	M (29,638.21)	0.00
097	Veh Replac-Fire	215,627.89	45,000.00		68,000.00		192,627.89

Fund Balance FY ending 09/30/2023 - Audited

Fund	Fund Name	FY 23-24 Audited Beginning Fund Balance	Budgeted Current Revenues	Budget Amendment BA#48	Budgeted Current Expenditures	Budget Amendment BA #48	FY 22-23 Unaudited Ending Fund Balance
098	Economic Devel	183,167.27	423,100.00		361,969.00		244,298.27
100	SRTS Grant	161,682.10	0.00		0.00		161,682.10
101	TXCDBG 7219192	0.00	0.00		0.00		0.00
105	Veh Replace-PD	0.00	10,000.00		0.00		10,000.00
106	Veh Replace-PW	58,223.37	100,000.00		144,820.00		13,403.37
107	Assist to FF Grant	0.00	0.00		0.00		0.00
108	PL Bulletproof Vst	0.00	0.00		0.00		0.00
110	KVPD Enhance BWC	0.00	0.00		0.00		0.00
113	CW WW Coll Syst	87,348.63	4,857,891.00		4,858,294.00		86,945.63
114	SWB Rural/Tribal	0.00	0.00		0.00		0.00
115	Tax Notes 2021	156,201.61	0.00		147,411.14		8,790.47
116	TWDB Drainage #7	711,979.67	1,245,930.00		1,245,930.00		711,979.67
117	TWDB Drainage #1	712,332.68	1,245,576.00		1,245,576.00		712,332.68
118	TWDB Drainage #3	763,080.36	1,337,946.00		1,337,946.00		763,080.36
119	TWDB Drainage #4	966,646.83	1,712,043.00		1,712,043.00		966,646.83
120	Prop Tax Reserve	432,231.49	0.00		0.00		432,231.49
121	GF ARP-deferred rev	1,613,347.85	588,800.00	(588,800.00)	1,630,859.35	(18,499.50)	988.00
122	GLO Mitigation	366,787.00	33,859,114.00		33,859,114.00		366,787.00
123	ED Program-def rev	270,000.47	0.00		270,000.47		0.00
124	Ed Rachal Found-PD	352.62	0.00		0.00		352.62
125	UF ARP SL-Def Rev	500,000.00	0.00		1,599,800.00	(1,099,800.00)	0.00
126	GF Tax Note 2022	80,343.59	0.00		1,425.00		78,918.59
127	UF Tax Notes 2022	149.76	0.00		0.00		149.76
128	TWDB Drainage #8	347,001.81	301,500.00		678,500.00	(29,998.19)	0.00
129	TXSWS Mobile Gen	17,728.00	0.00		0.00		17,728.00
130	TXSWS Backup Gen	68,894.00	106,106.00		0.00		175,000.00
131	TASA Grant	0.00	0.00		0.00		0.00
132	PID-Somerset FD	0.00	0.00		0.00		0.00
138	Insurance	2,782,171.30	4,273,317.00		4,579,477.00		2,476,011.30
139	Veh Replace-PW-GF	35,261.32	10,000.00		0.00		45,261.32

Fund Balance FY ending 09/30/2023 - Audited

Fund	Fund Name	FY 23-24 Audited Beginning Fund Balance	Budgeted Current Revenues	Budget Amendment BA#48	Budgeted Current Expenditures	Budget Amendment BA #48	FY 22-23 Unaudited Ending Fund Balance
140	Ed Rachel Found-Pks	0.00	0.00		0.00		0.00
141	CO Series 2023-UF	1,420,291.73	0.00		2,560,650.50	(1,140,358.77)	0.00
151	CO Series 2023A-GF	4,753,695.51	4,865,110.18		4,865,110.18		4,753,695.51
153	CO Series 2024-Fire	0.00	7,000.00		7,000.00		0.00
202	Façade Grant	0.00	0.00		0.00		0.00
203	JK EDA Grant	557,000.00	0.00		557,000.00		0.00
205	Tourism ARP-Def Rev	90,720.72	0.00		91,709.72		(989.00)
206	Chamberlain Park	0.00	458,660.39	(5,554.05)	472,310.39	(19,204.05)	0.00
208	Lone Star Grant	0.00	336,106.10		336,106.10		0.00

Totals 41,810,947.74 97,871,962.43 (476,964.36) 111,011,264.75 (2,342,036.00) 30,536,717.06

30,536,717.06

AGENDA ITEM #4



**City of Kingsville
Finance Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Deborah Balli, Finance Director
DATE: June 18, 2024
SUBJECT: Budget Amendment #49 – HRSA CARES Provider Relief Fund Payback

Summary:

In FY 19-20, the Fire Department applied and received a \$12,922.95 grant from the HRSA CARES Provider Relief fund. This timeframe was around the time that there was a change in the Fire Chief position. We received notification in early March 2023 about the reporting issue with this grant and the former Accounting Manager completed and submitted an appeal through their process for non-compliance reporting website link. During that time the current Fire Chief reached out to the former Fire Marshall, who had the responsibility to file the reports on this grant, to see if he knew where any files were concerning this grant and none could be located.

Financial Impact:

Since all reporting time periods have expired, we are required to send these funds back to the granting agency.

Recommendation:

Staff recommends the approval of this budget amendment.

ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO PROVIDE FUNDING FOR PAYBACK OF THE HRSA CARES PROVIDER RELIEF FUND DUE TO NON-SUBMITTAL OF REPORTS.

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 2023-2024 budget be amended as follows:

**CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#50**

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 001 – General Fund					
Expenditures – 5					
2200	Fire	Professional Services	31400	\$12,922.95	
1030	City Special	Budget Amend Reserve	86000		\$12,922.95

[To amend the City of Kingsville FY 23-24 budget to provide funding for the payback of the HRSA Cares Provider Relief Fund due to non-reporting. Funding for this request will come from the General Fund Budget Amendment Reserve line item. Currently there is \$104,103 available.]

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 24th day of June 2024.

PASSED AND APPROVED on this the 22nd day of July 2024.

EFFECTIVE DATE: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

REGULAR AGENDA

AGENDA ITEM #5

**City of Kingsville
Police Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: John Blair, Chief of Police
DATE: 6/25/2024
SUBJECT: Request for Budget Amendment for the Police Department to Replace SWAT Team Ballistic Body Armor.

Summary:

The Kingsville Police Department respectfully seeks the City Commission's approval for a Budget Amendment to the FY 23-24 Budget for the purpose of replacing the Police Departments SWAT Teams Ballistic Body Armor. The current account to fund this purchase is currently in a negative balance.

Background:

The Kingsville Police Department respectfully seeks the City Commission's approval for a budget amendment to the FY 23-24 budget to replace the SWAT team's ballistic body armor due to the vests being expired. This update is crucial for maintaining the safety and operational efficiency of our tactical unit.

1. **Enhanced Protection:** Updated ballistic body armor offers improved protection against a wider range of ballistic threats. New materials and designs, such as those adhering to NIJ Standard 0101.07, provide enhanced resistance to specific ammunition types and better overall safety for officers in high-risk situations
2. **Mandatory Wear Policies:** Ensuring all SWAT members have access to current body armor supports mandatory wear policies that enhance overall safety. Consistent use of body armor has been proven to reduce fatalities and serious injuries among officers.
3. **Operational Readiness:** Upgrading body armor ensures that the SWAT team is fully equipped to handle high-risk operations effectively and safely.
4. **Community Safety:** Enhanced protection for officers directly contributes to better service and protection for the community.
5. **Long-Term Cost Savings:** Investing in new high-quality body armor reduces the potential costs associated with officer injuries and fatalities.



**City of Kingsville
Police Department**

Financial Impact:

SWAT team vests are replaced approximately every 5 years or sooner due to excessive wear and weather conditions. The total cost for replacement is \$46,890.00 for 15 vests @ \$3,126.00 each. This cost includes a new carrier, rifle plates and pouches.

Recommendation:

To respectfully request a Budget Adjustment to FY23-24 for the purpose of replacing the SWAT Team vests.



- Put ORR stamp on each page
- Prep. Invoice
- Prep. Basic response letter
- After signed, mk. File copy OR Scan= Lttr/Inv/Rpt
- Call for P/U, Mail, or Email= Lttr/Inv/Rpt
- Update ORR Log

- Put ORR stamp on each page
- Prep. Invoice
- Prep. Basic response letter
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- Update ORR Log

ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO PROVIDE FUNDING FOR THE REPLACEMENT OF POLICE DEPARTMENT SWAT TEAMS BALLISTIC BODY ARMOR.

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 2023-2024 budget be amended as follows:

CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#51

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 001 – General Fund					
<u>Expenditures – 5</u>					
2102	Police	Minor Equipment	21700	\$46,890.00	
1030	City Special	Budget Amend Reserve	86000		\$46,890.00

[To amend the City of Kingsville FY 23-24 budget to provide funding for the replacement for the Police Department SWAT Team ballistic body armor. Funding for this request will come from the General Fund Budget Amendment Reserve line item. Currently there is \$91,180.05 available.]

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 22nd day of July 2024.

PASSED AND APPROVED on this the 12th day of August 2024.

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
Police Department**

TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager

FROM: John Blair, Chief of Police

DATE: 7/10/2024

SUBJECT: Request for Resolution for the execution of an MOU between the Kingsville Police Department and the Regional Organized Crime Information Center (ROCIC)

Summary:

The Police Department respectfully seeks the City Commission's approval to enter into a Memorandum of Understanding (MOU) with the Regional Organized Crime Information Center (ROCIC). This partnership is critical for enhancing our department's capabilities in various complex criminal investigations.

Background:

The proposed collaboration between the Kingsville Police Department (KPD) and the Regional Organized Crime Information Center (ROCIC) is a strategic initiative aimed at enhancing our investigative capabilities and overall efficiency. This partnership is poised to significantly bolster our efforts in combating a wide range of criminal activities within our jurisdiction.

By formalizing this relationship through a Memorandum of Understanding (MOU), KPD will gain access to ROCIC's extensive resources and specialized support. These include:

- **Criminal Intelligence Unit:** Providing crucial data and insights for more informed decision-making in ongoing investigations.
- **Analytical Support:** Offering advanced analytical tools and expertise to help solve complex cases.
- **Specialized Equipment:** Access to state-of-the-art equipment that enhances our operational capabilities.
- **Audio/Video Forensics:** Expertise in analyzing multimedia evidence to support investigations.
- **Digital Forensics:** Advanced techniques for recovering and analyzing digital evidence from electronic devices.



City of Kingsville
Police Department

- **Training:** Regular training sessions to keep our officers updated on the latest investigative techniques and technologies.
- **Publications:** Access to valuable publications and reports that offer insights into emerging crime trends and best practices.

This partnership will enable KPD to leverage these resources, ensuring that we are better equipped to address and mitigate criminal activities. The collaboration with ROCIC represents a significant step forward in our commitment to maintaining the safety and security of our community.

By integrating ROCIC's resources with our local knowledge and expertise, we anticipate a marked improvement in our investigative outcomes. This MOU aligns with our strategic objectives and reinforces our dedication to providing the highest level of law enforcement service to the citizens of Kingsville.

Financial Impact:

No cost is associated with the MOU with the Regional Organized Crime Information Center.

Recommendation:

We respectfully request a resolution to enter into an MOU with the Regional Organized Crime Information Center.



RESOLUTION #2024-_____

A RESOLUTION AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF KINGSVILLE POLICE DEPARTMENT AND THE REGIONAL ORGANIZED CRIME INFORMATION CENTER (ROCIC); REPEALING ALL CONFLICTING RESOLUTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Kingsville ("City") promotes the health and safety of the community and supports City departments in efforts to partner with other agencies to improve communication strategies and services for citizens;

WHEREAS, the City's Police Department has worked to develop a Memorandum of Understanding with the Regional Organized Crime Information Center ("ROCIC") to augment the Department's capabilities in addressing various complex criminal investigations;

WHEREAS, the proposed collaboration is designed to significantly enhance the Department's investigative reach and efficiency;

WHEREAS, there is no discernable financial impact to the City under the terms of the Memorandum of Understanding;

WHEREAS, the Chief of Police would be the authorized signatory for the Kingsville Police Department's participation in the agreement.

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

I.

THAT the Chief of Police is authorized and directed as an act of the City of Kingsville, Texas to enter into a Memorandum of Understanding with the Regional Organized Crime Information Center, in accordance with Exhibit A hereto attached and made a part hereof.

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
22nd day of July, 2024.

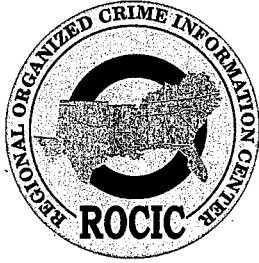
Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney



Regional Organized Crime Information Center
545 Marriott Drive Suite 850 Nashville TN 37214
Toll-Free: 1-800-238-7985
Email: membership@rocic.riss.net
Fax: 615-234-5439
Internet: www.riss.net

MEMORANDUM OF AGREEMENT

2682

Kingsville Police Department

ROCIC Agency
Number

Name of Agency

Kingsville, Texas

City and State

Chief of Police John Blair

Agency Administrative Head (Please Type or Print)

As members of the **Regional Organized Crime Information Center**, all designated personnel from this Agency shall abide by the Constitution and By-Laws that govern this organization, and follow the policies, procedures and guidelines concerning the use of all services rendered by the **Regional Organized Crime Information Center**.

This Agency also agrees to abide by the principles set forth in 28 CFR Part 23, §23.20. "Each participating agency, as a condition of participation, must accept in writing those principles which govern the submission, maintenance and dissemination of information included as part of the interjurisdictional system." (48454 Federal Register/Vol.58, No. 178, Rules and Regulations 28 CFR Part 23, § 23.30 (d)(2)).

The purpose of regulation 28 CFR Part 23 is to assure that all criminal intelligence systems are utilized in conformance with the privacy and constitutional rights of individuals. Therefore, all information submitted to the **Regional Organized Crime Information Center** shall conform to 28 CFR Part 23, § 23.20 (attached) and will remain the property of the submitting agency.

Donna Williams

Donna Williams, ROCIC Director

Signature of Administrative Head

Date

Date

AGENDA ITEM #7

**City of Kingsville
Police Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: John Blair, Chief of Police
DATE: July 8, 2024
SUBJECT: 2025 1PointFive First Responder Donation Program

Summary:

The Kingsville Police and Fire Departments respectfully request the City Commission approve a Resolution to apply to 1PointFive to be considered for their First Responder Donation Program.

Background:

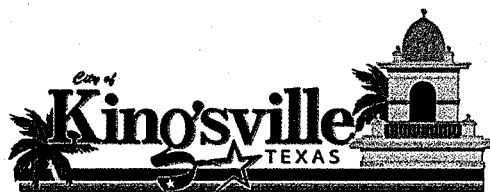
1PointFive is committed to supporting First Responders in the communities where they establish operations. The 1PointFive First Responder Donations Program offers funding opportunities for fire departments, emergency medical services, and law enforcement agencies. This funding can be used for:

- Purchase of essential emergency response equipment
- Repair of existing emergency response equipment
- Replacement of outdated or damaged rescue and safety gear
- First responder safety training programs

The Kingsville Police and Fire Departments are vital to the safety and security of our community. Our first responders face unique challenges, including managing emergencies at a major university and the naval air station.

Securing this funding will allow the Kingsville Police and Fire Departments to:

- Enhance response capabilities with up-to-date equipment
- Improve safety and efficiency in emergency situations
- Provide advanced training to first responders, ensuring they are prepared for a wide range of scenarios
- Continue delivering high-quality service to residents and visitors



**City of Kingsville
Police Department**

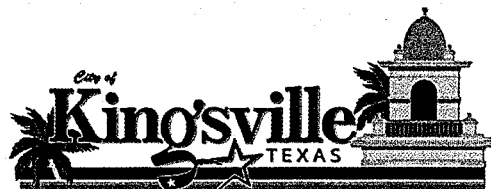
Investing in our first responders through the 1PointFive First Responder Donations Program is an investment in the safety, resilience, and prosperity of Kingsville. This support will enable us to meet the unique needs of our community and maintain a high standard of public safety.

Financial Impact:

There are no matching funds to apply for this grant.

Recommendation:

We would request a resolution authorizing the Police and Fire Departments respectively to apply to this program.





FIRST RESPONDER DONATION PROGRAM APPLICATION

PLEASE COMPLETE THIS FORM IN ITS ENTIRETY.
APPLICATION DEADLINE: JULY 31, 2024

SUBMIT APPLICATION & FORM W-9 TO: OXYCOMMUNITYRELATIONS@OXY.COM

ORGANIZATION DETAILS

Organization Name: City of Kingsville Police Department
Contact Name: John Blair Title: Chief of Police
Office Phone: 361.592.4311 Mobile Phone: 361.219.5790
Email: John.blair@kingsvillepd.us
Physical Address: 400 W. King Ave. Kingsville, Texas 78363
Mailing Address: S/A
Tax-Exempt Status: [X] 501(c)(3) [] Non-Tax Exempt [] Other (please specify)
Type of organization: [X] Municipal [] Volunteer [] Other (please specify)

Annual operating budget: \$6,853,997.00 Department headcount: 50 FTE
Average number of calls per month: 1,257 Population served: 27,000
Area of operation (name of county, etc.) City of Kingsville, Kleberg County
Is your department funded by the city/county you are located in? [X] Yes [] No
Does your organization coordinate/collaborate with other area departments? [X] Yes [] No
If yes, please provide details regarding the departments (name of department, how often, nature of support, etc.).
Absolutely, our organization coordinates and collaborates extensively with other area departments to ensure the safety and well-being of our community...



FIRST RESPONDER DONATION PROGRAM APPLICATION

ORGANIZATION NEEDS

Please list from highest to lowest priorities, your organization's needs (see Application Guidelines):
 High Priority (H) – critical or high need; Medium Priority (M) – important need; Low Priority (L) – lesser need.

Please note, if a charitable contribution is made to your organization, we ask that items are purchased within ninety (90) days of receiving 1PointFive's donation.

List Department Needs	Quantity	Estimated Total Cost	Priority	Date needed
XL-200 Portable Radios (Police and Fire)	40	\$320,000 @ \$6,500.00ea	H	After 1 Oct 2024
Ballistic Vests	15	\$46,890.00 @ \$3,126 ea	H	After 1 Oct 2024
Patrol vehicle tablet/vehicle mount	42	\$31,500 @ \$750.00 ea	H	After 1 Oct 2024
Educational supplies and handouts (Police, Fire and 911)	Bulk Order	\$6,000.00	M	After 1 Oct 2024
Heavy Duty Multi-Payload Drone Systems	2	\$70,000.00@ ea \$35,000.00	M	After 1 Oct 2024
Body Worn Camera/In-Car Camera system	42	\$148,625.88	H	After 1 Oct 2024

The City of Kingsville stands as a testament to the power of unified efforts in the face of natural disasters and catastrophic events. Our Police Department, Fire Department, and all other city departments have consistently demonstrated unparalleled dedication and collaboration to ensure the safety and well-being of our community. Through robust mutual aid agreements, interoperable 911 communication systems, and comprehensive joint training, Kingsville has built a resilient and responsive public safety infrastructure.

Strategic Use of Charitable Contributions

If awarded a charitable contribution, Kingsville will strategically invest these funds to further enhance our public safety capabilities. Our focus areas include:

- Enhanced Radio Communications:** Investing in advanced radio communication systems as part of a regional approach will ensure that all responding units can communicate effectively during emergencies, improving coordination and response times.
- Public Safety Ballistic Vests:** Purchasing ballistic vests will provide our first responders with the necessary protection to safely and effectively perform their duties in high-risk situations.
- Body-Worn Cameras and In-Car Cameras:** Acquiring these technologies will increase transparency in law enforcement operations, improve public interactions, and provide valuable evidence during investigations.
- Patrol Vehicle Technology Upgrades:** Equipping each patrol vehicle with a tablet will enhance patrol response and service by providing officers with real-time access to critical information and communication tools.
- Drone Deployment:** Utilizing drones for police search and rescue operations, open area searches, and fire scene assessments will significantly enhance our operational capabilities and efficiency.
- Community and Children's Event Supplies:** Purchasing educational supplies and handouts for community and children's events will support our efforts to engage with and educate the public on safety and preparedness.

Conclusion

The City of Kingsville is committed to maintaining a high standard of public safety through collaboration, advanced technology, and community engagement. The proposed use of charitable contributions will significantly bolster our efforts, ensuring that we are well-equipped to handle future emergencies and enhance the safety and well-being of our residents. By investing in these critical areas, we not only improve our immediate response capabilities but also build a stronger, more resilient community for the future.



FIRST RESPONDER DONATION PROGRAM APPLICATION

ORGANIZATION FUNDING DETAILS

Please answer the following questions as they relate to your organization's funding sources.

<p>Has your department received a donation from 1PointFive in the previous 12 months? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p><i>If yes, please provide details regarding what the funds were used to purchase and how the purchase has benefited your organization.</i></p> <p>Both the City Fire Department and City Police Department received \$25,000.00 each for a total of \$50,000.00. The funds were used to purchase technology and radios to ensure compliance with the P25 project which aims for interoperability among different vendors by testing to national P25 Standards.</p>
<p>Has your department received monetary donations from other companies in the previous 12 months? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p><i>If yes, please provide details regarding the donation (name of company, amount donated, how the donation was used, year, etc.).</i></p> <p>The City Police Department received a \$500.00 donation to fund a Law Enforcement appreciation luncheon.</p>
<p>Has your organization received a federal or state grant or funding in the previous 12 months? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p><i>If yes, please provide details regarding the grant/funding (amount received, how the funds were used, etc.).</i></p> <p>Police Department: Local Border Security Program- \$78,000. The purpose of the program is to sustain interagency law enforcement operations and enhance local law enforcement patrols to facilitate directed actions to deter and interdict criminal activity. Program participants shall assist in the execution of coordinated border security operations. Operation Stonegarden- \$99,514. Supports enhanced cooperation and coordination among Customs and Border Protection (CBP), United States Border Patrol (USBP), and local, Tribal, territorial, state, and Federal law enforcement agencies. The OPSG Program funds' investments in joint efforts to secure the United States' borders along routes of ingress from international borders to include travel corridors in states bordering Mexico and Canada, as well as states and territories with international water borders. Operation Lone Star-\$336,106. The purpose of the program is to enhance interagency border security operations supporting Operation Lone Star including the facilitation of directed actions to deter and interdict criminal activity.</p>
<p>Has your organization experienced any special circumstances to support a donation from 1PointFive (natural disaster, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure</p>
<p><i>If yes, please provide details regarding the special circumstance.</i></p> <p>Kingsville, a resilient community, has faced significant challenges due to a series of natural disasters and catastrophic events over the past decade. These incidents have not only tested the mettle of our public safety agencies but have also highlighted the urgent need for collaborative efforts and strategic resource allocation to safeguard our residents and infrastructure.</p> <p>In recent years, Kingsville has experienced devastating hurricanes, unprecedented flooding, and severe wildfires, each leaving a trail of destruction and hardship. The 2020 hurricane season, in particular, saw Kingsville battered by Hurricane Laura, which caused widespread damage to homes, businesses, and critical infrastructure. The flooding that followed exacerbated the situation, displacing hundreds of families and overwhelming our emergency response capabilities. These events underscored the necessity for a well-coordinated response from all public safety agencies, including fire departments, police, emergency medical services, and local government.</p> <p>The collaboration among these agencies has been exemplary, yet the increasing frequency and intensity of such disasters demand more robust and resilient systems. This is where the potential donation from 1PointFive becomes crucial. With the support of this donation, Kingsville can enhance its disaster preparedness and response strategies, ensuring that our public safety agencies are equipped with the necessary tools, training, and technology to respond swiftly and effectively to future emergencies.</p> <p>Investing the donation money wisely is paramount. Our primary focus areas include:</p> <ol style="list-style-type: none">1. Strengthening Emergency Infrastructure: Upgrading communication systems to ensure seamless coordination among agencies during disasters, enhancing the resilience of critical infrastructure, and building more robust shelters to protect our residents.2. Advanced Training Programs: Providing specialized training for our first responders to handle a wide range of scenarios, from natural disasters to hazardous material spills, ensuring they are well-prepared for any situation.3. Community Engagement and Education: Developing comprehensive community outreach programs to educate residents about disaster preparedness, creating a culture of readiness, and fostering community resilience.



FIRST RESPONDER DONATION PROGRAM APPLICATION

4. **Acquisition of Modern Equipment:** Investing in state-of-the-art emergency response equipment, including high-water rescue vehicles, drones for damage assessment, and advanced medical supplies to improve our response capabilities.
5. **Collaborative Planning and Drills:** Conducting regular joint training exercises and disaster simulations involving all public safety agencies to ensure a coordinated and efficient response during actual events.

By focusing on these areas, Kingsville aims to build a safer, more resilient community capable of withstanding and recovering from future disasters. The support from 1PointFive will not only bolster our immediate response capabilities but also contribute to long-term community resilience, ensuring that we are better prepared to protect our residents and recover swiftly from any adversity. In conclusion, Kingsville's recent experiences with natural disasters and catastrophic events clearly illustrate the necessity for enhanced collaboration and strategic investment in public safety. The donation from 1PointFive would be a pivotal step in fortifying our community's defenses and ensuring the well-being of our citizens in the face of future challenges.

Additional information:

PLEASE COMPLETE THIS FORM IN ITS ENTIRETY.

APPLICATION DEADLINE: JULY 31, 2024

SUBMIT APPLICATION, FORM W-9 AND ANY SUPPORTING DOCUMENTS TO:

OxyCommunityRelations@oxy.com



FIRST RESPONDER DONATION PROGRAM APPLICATION

PLEASE COMPLETE THIS FORM IN ITS ENTIRETY.

APPLICATION DEADLINE: JULY 31, 2024

SUBMIT APPLICATION & FORM W-9 TO: OXYCOMMUNITYRELATIONS@OXY.COM

ORGANIZATION DETAILS

Organization Name: Kingsville Fire Department
Contact Name: Mark McLaughlin Title: City Manager
Office Phone: Mobile Phone:
Email: mmclaughlin@cityofkingsville.com
Physical Address: 400 W. King Ave., Kingsville, TX 78363
Mailing Address: S/A
Tax-Exempt Status: 501(c)(3) Non-Tax Exempt Other (please specify)
Type of organization: Municipal Volunteer Other (please specify)

Annual operating budget: \$3,817,120.00 Department headcount: 37
Average number of calls per month: 326 Population served: 27,000
Area of operation (name of county, etc.): City of Kingsville/Kleberg County
Is your department funded by the city/county you are located in? Yes No
Does your organization coordinate/collaborate with other area departments? Yes No

ORGANIZATION NEEDS

Please list from highest to lowest priorities, your organization's needs (see Application Guidelines):
High Priority (H) - critical or high need; Medium Priority (M) - important need; Low Priority (L) - lesser need.

Please note, if a charitable contribution is made to your organization, we ask that items are purchased within ninety (90) days of receiving 1PointFive's donation.

Table with 5 columns: List Department Needs, Quantity, Estimated Total Cost, Priority, Date needed. Rows include Self Contained Breathing Apparatus & Face pieces, Air Cylinders for Breathing Apparatus & Compressor, Battery Operated Rescue Tool.



FIRST RESPONDER DONATION PROGRAM APPLICATION

ORGANIZATION FUNDING DETAILS

Please answer the following questions as they relate to your organization's funding sources.

Has your department received a donation from 1PointFive in the previous 12 months? [X] Yes [] No [] Unsure
If yes, please provide details regarding what the funds were used to purchase and how the purchase has benefited your organization.
Both the Fire Department and Police Department received \$25,000 each. The funds were used to purchase technology and radios to ensure compliance with the P25 project which aims for interoperability among different vendors by testing to P25 Standards.
Has your department received monetary donations from other companies in the previous 12 months?
[] Yes [X] No [] Unsure
If yes, please provide details regarding the donation (name of company, amount donated, how the donation was used, year, etc.).
Has your organization received a federal or state grant or funding in the previous 12 months?
[] Yes [X] No [] Unsure
If yes, please provide details regarding the grant/funding (amount received, how the funds were used, etc.).
Has your organization experienced any special circumstances to support a donation from 1PointFive (natural disaster, etc.)? [] Yes [] No [] Unsure
If yes, please provide details regarding the special circumstance.
Self-contained Breathing Apparatus (SCBA) is one of the most critical pieces of equipment that a firefighter wears when fighting a fire.

Additional information:
The self-contained breathing apparatus (SCBA) request is to replace our current SCBA which will become obsolete and unusable in December 2025. The request includes all necessary breathing equipment and compressor equip. Total Cost is \$507,367.00
The battery-operated rescue tools includes extra batteries and necessary attachments. Current rescue tool is 20 yrs old and has limited cutting power.

PLEASE COMPLETE THIS FORM IN ITS ENTIRETY.
APPLICATION DEADLINE: JULY 31, 2024
SUBMIT APPLICATION, FORM W-9 AND ANY SUPPORTING DOCUMENTS TO:
OxyCommunityRelations@oxy.com

RESOLUTION # 2024-_____

A RESOLUTION AUTHORIZING THE CITY TO SUBMIT AN APPLICATION TO THE 2025 1POINTFIVE FIRST RESPONDER DONATION PROGRAM FOR GRANT FUNDS FOR FIRST RESPONDER EQUIPMENT, GEAR, AND TRAINING FOR THE KINGSVILLE POLICE & FIRE DEPARTMENTS.

WHEREAS, the City Commission of the City of Kingsville finds it in the best interest of the citizens of Kingsville that the Kingsville Police and Fire Departments participate in an application for grant monies for the purchase or repair of emergency response equipment, replacement of outdated or damaged rescue and safety gear, and first responder safety training programs to be used by the departments' members; and

WHEREAS, the officers and firefighters have the need for various equipment to improve emergency response for public safety and this grant, if awarded, would help to ensure they are able to meet the needs presented from various service calls; and

WHEREAS, the Kingsville Police and Fire Departments provide emergency response services to individuals within the city limits of Kingsville, as well as to other entities and surrounding areas by participating in various Interlocal Agreements and Memorandums of Understanding; and

WHEREAS, the requested emergency response equipment, gear, and training would assist with the diverse types of scenarios that can be encountered by both departments; and

WHEREAS, the 2025 1PointFive First Responder Donation Program does not require a cash match and may award part, none, or all of the funds requested, though any monetary award would require a budget amendment; and

WHEREAS, the City Commission of the City of Kingsville through this resolution has authorized the Police Chief and/or Fire Chief to submit for the grant and administer the grant and necessary paperwork if the grant is awarded to the City;

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

I.

THAT the City Commission approves the submission of a grant application to the 2025 1PointFive First Responder Donation Program for emergency response equipment, gear, and training for the Kingsville Police and Fire Departments, with no anticipated cash match and authorizes the Police Chief and/or Fire Chief to submit the grant and administer the grant and necessary paperwork if the grant is awarded to the City.

II.

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

PASSED AND APPROVED by a majority vote of the City Commission the 22nd day of July, 2024.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM

Courtney Alvarez, City Attorney

AGENDA ITEM #8

Planning and Development Services
410 W King
Kingsville, TX 78363
PH: 361-595-8093



MEMO

Date: June 13th, 2024
To: Mark McLaughlin (City Manager)
From: Erik Spitzer (Director of Planning and Development Services)
Subject: REVISIONS TO EXISTING SIDEWALK ORDINANCES

Summary: Staff has observed the need to update the existing sidewalk ordinance to provide guidance on instances when construction of a sidewalk is currently required but doing so is not feasible or practical.

Background: On January 29th, 2024, the City Manager asked the City Engineer and the City Planner to examine the existing City of Kingsville ordinances that pertain to mandatory sidewalk construction within the city limits. Of concern was the current ordinance wording that does not address areas where sidewalk installation would not be feasible (due to the inability to install in existing rights-of-ways), nor make sense if the existing neighborhood had no existing sidewalk infrastructure.

The following additional language is proposed for Commission approval to incorporate in three current sections within the City of Kingsville ordinances:

“Exceptions: if no sidewalks exist in an area (such as an entire neighborhood), then sidewalk construction is not required; however, if future growth within an area is possible, then sidewalk construction is required. Also, if sidewalk construction won’t fit within the existing right-of-way, then sidewalk construction is not required. In all cases, exceptions/waivers will be granted only by approval of the City of Kingsville Director of Planning.”

Those two separate sections within the ordinances include:

- Sec. 9-10-1 - Construction of sidewalks
- Sec. 9-10-4 - Restricted construction; alteration; sidewalks and driveways required

Financial Impact: None.

Recommendation: Staff recommends the City Commission approve the suggested amendments to the sidewalk ordinance.

ORDINANCE NO. 2024-_____

AMENDING THE CITY OF KINGSVILLE CODE OF ORDINANCES SECTIONS 15-3-51 AND 9-10-1 THROUGH 9-10-5, PROVIDING FOR REVISIONS TO THE SIDEWALK REGULATIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING FOR AN EFFECTIVE DATE AND PUBLICATION.

WHEREAS, this Ordinance is necessary to protect the public safety, health, and welfare of the City of Kingsville;

WHEREAS, the City has determined that the sidewalk ordinances are in need of revision due to changes sections that apply to areas of land where it is either not feasible or not practical to require a sidewalk;

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

I.

THAT Article 6: Zoning of Chapter XV, Land Usage, of the Code of Ordinances of the City of Kingsville, Texas, Sections 15-3-51 and 9-10-1 through 9-10-5 shall be amended to read as follows:

...

§ 15-3-51 Sidewalks.

A concrete walk at least five feet in width and four inches thick shall be provided continuously on both sides of each street for each block in the subdivision. This standard shall be considered a minimum and may be increased at the discretion of the Director of Public Works for areas adjacent to or in the vicinity of schools, parks and other locations with significant pedestrian traffic. In the case of a high pedestrian traffic area, sidewalk widths may be required to be a minimum of 8-10 feet depending on the application. The sidewalk shall be located within the dedicated right-of-way, with a parkway of a minimum of two feet and shall extend along all street frontage. This shall include the side of corner lots and block ends; provided however, that where it is impractical to provide such sidewalks on the side lot lines abutting major thoroughfares or drainage ditches, then in those instances sidewalks are not required. The builder shall install ~~put in~~ sidewalks at the time of building construction. Additionally, the developer of record shall be responsible for the completion of sidewalks adjacent to any open space or common area at the time of the construction of street improvements.

(1) *Curbs*. Curbs at intersections and mid-block crossings shall be designed and constructed to provide a ramp for wheelchairs and/or bicycles in

accordance with the American Disabilities Act (ADA) as set forth in city standards.

(1962 Code, § 12-4-2; Ord. 95018, passed 8-28-95; Ord. 98025, passed 11-9-98; Ord. 2013-07, passed 2-25-2013).

...

§ 9-10-1. - Construction of Sidewalks.

(A) It shall be unlawful for any person to construct or lay down cement sidewalks or cement curbs within the city without first advising the City Engineer of his intention to do so, and all cement sidewalks and cement curbs shall be laid down and constructed under the supervision and direction of the City Engineer ~~so as to conform to the Street Alignment Map on file in the office of the Secretary.~~

(B) Upon the application of any person to lay down or construct cement sidewalks or cement curbs, it shall be the duty of the City Engineer to view the premises where same is proposed to be laid, and furnish the person with the lines upon which same shall be laid and the levels thereof, the lines and levels ~~to conform to the Street Alignment Map.~~

Exceptions: If no sidewalks exist in an area (such as an entire established neighborhood), then sidewalk construction is not required; however, if future growth within an area is possible, then sidewalk construction is required. Also, if sidewalk construction won't fit within the existing right-of-way, then sidewalk construction is not required. In all cases, exceptions/waivers will be granted only by approval of the City of Kingsville Director of Planning. Any appeal of the decision shall be made to the City Manager in writing within five business days from the date of receipt of the Director of Planning's decision.

(1962 Code, § 9-1-1)

Cross reference— Penalty, see § 1-1-99.

§9-10-2. Erection of Poles.

(A) It shall be unlawful for any person to put down, erect or construct any telegraph, telephone or electric light poles or wires without first advising the City Engineer of his intention to do so, and the ~~pales poles~~ and wires shall be erected and constructed within an approved alignment so as to conform to the Street Alignment Map.

(B) Whenever any person shall desire to lay down, erect or construct any telegraph poles, telephone ~~pales poles~~ or electrical ~~light~~ lines, it shall be the duty of the City Engineer to view the premises where the poles or lines are

proposed to be laid or placed and furnish the person with the lines upon which same shall be laid, and the lines shall conform to the Street Alignment Map.

(1962 Code, § 9-1-2)

Cross reference— Penalty, see § 1-1-99.

§9-10-3. - Repair of Sidewalks, Ramps and/or Curbs Required.

(A) The owners of lots, or part of lots, blocks or other undivided parcels of land in this city, having sidewalks, ramps, and/or curbs constructed adjacent thereto shall be and they are hereby required to keep the sidewalks, ramps, and/or curbs in good repair.

(B) Whenever any sidewalks, ramps, and/or curb adjacent to any lot, block, or part of same, or along any undivided parcel of land in this city shall become out of repair, or when any sidewalks and/or ramps shall be in any way obstructed so as to interrupt the free passage over the same, the City Manager, or his representatives, shall notify the person owning or controlling the property fronting thereon to repair the same or to remove the obstruction, and it shall be the duty of the person to comply with the notification at once, and on failing or refusing to comply therewith, he shall be deemed guilty of a misdemeanor; and each day the sidewalks, ramps, and/or curb remains unrepaired, after the notification and failure or refusal to comply therewith, shall constitute a separate offense.

(1962 Code, § 9-1-3)

Cross reference— Penalty, see § 1-1-99.

§9-10-4. Restricted Construction; Alteration; Sidewalks, Ramps, and Driveways Required.

(A) From and after the effective date of this article, no person, firm or corporation shall construct, reconstruct, alter, repair or replace any improvements on property located in Class "C" Apartment, Class "L" Local Retail, Class "A" Business, Class "B" Business, Class "T" Trailer Park Districts without providing for sidewalks and driveways, no building permit shall be issued by the city for such improvements until a site or construction plan showing sidewalks, ramps, and driveways have been approved by the City Engineer.

(B) Driveways, ramps, and sidewalks required herein shall be constructed according to the requirements as set forth in § 9-10-22 of this article.

(C) Existing driveways that exceed the maximum width, that front on streets that have curb and gutter, shall reduce the excess width by the removal of driveway section and the installation of curb and gutter section. Existing driveways that exceed the maximum width, that front on streets that do not

have curb and gutter, shall reduce the excess width by the removal of driveway section and the installation of barricade, concrete island or curb, if needed. In addition, concrete sidewalks shall be provided along the property fronting all public roadways or public right-of-way, including the side of all corner lots. However, in certain cases where the property is zoned for business and the property fronting a public roadway is used solely as a parking lot, and the parking lot is asphalt paved to city specifications, the requirement for a sidewalk may be waived by the City Commission provided that a protected and clearly delineated sidewalk path area is provided for pedestrian traffic.

(D) The applicable sections of the latest edition of the Texas Highway Department "Regulations For Access Driveway to State Highways" shall be used as a guide by the City Engineer in establishing sidewalks and driveways required hereby.

Exceptions: If no sidewalks exist in an area (such as an entire established neighborhood), then sidewalk construction is not required; however, if future growth within an area is possible, then sidewalk construction is required. Also, if sidewalk construction won't fit within the existing right-of-way, then sidewalk construction is not required. In all cases, exceptions/waivers will be granted only by approval of the City of Kingsville Director of Planning. Any appeal of the decision shall be made to the City Manager in writing within five business days from the date of receipt of the Director of Planning's decision.

(E) It shall be the duty of the City Engineer to review all site or construction plans for the compliance of sidewalks, ramps, and driveways required by the city.

(F) Existing property that does not comply with this subarticle shall be considered as nonconforming, and shall be brought up to the standards of this subarticle at the time a building permit is requested.

(1962 Code, § 9-1-4; Ord. 77-5, passed 2-7-77)

Cross reference— Penalty, see § 1-1-99.

§9-10-5. Obstructions to Streets, Ramps, and Sidewalks.

It shall be unlawful for any person to obstruct any street, alley or public place within the limits of the city, by placing thereon any lumber, building material, dirt, trash, trees, posts, rubbish, furniture, white goods, yard debris, or any other noxious material. It shall be the responsibility of the property owner to mow and clean the alley and street rights-of-ways (ROW) adjacent to their property in accordance with this and all other city ordinances. It shall further be unlawful to dig or excavate upon any of the streets, alleys or public places of the city any hole, trench, ditch, or other excavation without first notifying the City Engineer of the place where the work is to be done and the kind and character thereof, and obtaining permission in writing from the City Engineer to do so. No permission shall be given for any work of this character except upon condition

that same shall be properly safeguarded during the day by either watchmen or signals, and at night by lanterns in such a manner as to prevent anyone falling or stumbling into such hole, ditch or excavation, or driving therein.

(1962 Code, § 9-3-1; Ord. 99023, passed 9-13-99; Ord. 99031, passed 10-25-99; Ord. 2001-02, passed 1-22-01; Ord. 2002-05, passed 1-28-02; Ord. 2004-26, passed 9-13-04)

Cross reference— Penalty, see § 1-1-99.

...

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 be codified and become effective on and after adoption and publication as required by law.

INTRODUCED on this the 24th day of June, 2024.

PASSED AND APPROVED on this the 22nd day of July, 2024.

Effective Date: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

AGENDA ITEM #9

CITY OF KINGSVILLE



MEMORANDUM

TO: Mark McLaughlin, City Manager
FROM: Deborah Balli, Finance Director
DATE: July 5, 2024
SUBJECT: Investment Policy Update and Certification

Summary:

The Investment Policy was submitted for certification to the Government Treasurers of Texas (GTOT) which is recommended every two years. This certification denotes that our policy is written in accordance with the Texas Public Funds Investment Act. On June 21, 2024, the City received notice that our policy was certified, with a recommendation of one update on page 15.

Finance will submit the next certification in January 2026.

Recommendation:

Staff recommends approving the recommended update to the Investment Policy.

Government Treasurers' Organization of Texas

June 21, 2024

Deborah Balli
Finance Director
City of Kingsville
PO Box 1458
Kingsville, TX 78364-

Dear Deborah:

On behalf of the Investment Policy Review Committee, I am pleased to inform you that the Government Treasurers' Organization of Texas (GTOT) has awarded the **Certificate of Distinction** to the City of Kingsville for its Investment Policy. Members of the Review Committee congratulate the City of Kingsville for its commitment to maintaining a comprehensive written investment policy that meets the criteria set forth in the GTOT Investment Policy Review Checklist.

Because investment policies require periodic review and modification, we have recommended wording adjustments. These adjustments, see attached checklist, need to be addressed at your next opportunity and prior to your submission for renewal.

Congratulations once again on an excellent policy and thank you for participating in our certification program. Your certificate is good for a two-year period ending **June 30, 2026**.

Sincerely,

Patrick Shinkle
GTOT Investment Policy Review Committee

Government Treasurers' Organization of Texas
Certification of Investment Policy

Presented to the

City of Kingsville

for developing an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the Government Treasurers' Organization of Texas.

Belanda Weaver
Government Treasurers' Organization of Texas
President

Comie J. Hayes
Investment Policy Review Committee

For the two-year period ending June 30, 2026

Government Treasurers' Organization of Texas

Investment Policy Certification Checklist

Entity: City of Kingsville

Office Use Only
Reviewer:
Date:

***Applicant** must indicate in this column where item is located in the investment policy submitted for review. (Example: Authorized and Suitable Investments, Section 6, page 10)

****Revised: July 2023**

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
Policy Statement Policy statement emphasizing the guiding principles of the investment program and conformance to all statutes, rules and regulations governing the investment of public funds.	PG 3-SEC I INTRODUCTION		
Scope List of funds covered by the policy. Funds can either be defined specifically as they are listed in the audited annual financial report, or more generally (i.e. short-term operating funds). This section should also specify which funds, if any, are combined for investing purposes as a "pooled fund group", and which funds are managed as "separately invested assets", as defined in PFIA 2256.002(9) .	PG 3-SEC 2 SCOPE		
General Objectives Investment policy must primarily emphasize safety of principal, liquidity [PFIA 2256.005 (b)(2)], and yield [PFIA 2256.005 (b)(3)]. Policy includes procedures to monitor rating changes and liquidation of such investments consistent with [PFIA 2256.005 (b)(4)(F)].	PG 3-SEC I INTRODUCTION PG5-SEC IV INV OBJECT. PG 12-SEC VII STRATEGIES PG 14-PARAG INVEST OF MONIES		
Prudent Person Rule "Prudent Person" statement relating to the standard of care that must be exercised when investing public funds. PFIA 2256.006 (a-b)	PG 13-14 RESP & CONT PRUDENT INV MGMT		
Capability of Investment Management Investment policy must address quality and capability of investment management. PFIA 2256.005 (b)(3)	PG 14 PARAG-INVEST OFFICERS PG 14 TRAIN & EDUC		
Ethics Disclosure and Conflicts of Interest Investment Policy must require the investment officer(s) to file a disclosure statement with the Texas Ethics Commission and the governing body if: <ul style="list-style-type: none"> a. the officer has a personal business relationship with a business organization offering to engage in an investment transaction with the City (as defined in 2256.005 (i)(1-3)); or b. the officer is related within the second degree by affinity or consanguinity, as determined under Chapter 573 of the Texas Government Code, to an individual seeking to transact investment business with the entity. PFIA 2256.005 (i) 	PG 21-23 APPENDIX C INVEST DISCLOSURE FOR EACH INVESTMENT OFFICER		

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
Delegation of Investment Authority Investment Policy must designate one or more officers of the entity as the investment officer(s) responsible for the investment of its funds (does not apply to a state agency, local government, or investment pool for which an officer of the entity is assigned by law the function of investing funds). PFIA 2256.005 (f)	PG 20 APPENDIX B PG 14 PARAG INVEST OFFICERS PG 17-SEC X111 INFOR REP/EVAL		

Investment Training

Investment training is required for the treasurer, CFO, and the investment officer(s) of a local government (see 2256.007 for training requirements for state agencies). Training must be received from an independent source, *approved by the entity's governing body or investment committee*, and must include education in investment controls, security risks, strategy risks, market risks, diversification of investment portfolio, and compliance with PFIA. The hours of training vary and must be completed within a specific number of months of taking office or assuming duties. Thereafter, renewal training hours must be completed every two years. (State Agencies, Higher Education, and Community Colleges training cycles are concurrent with the state fiscal biennium.) (Local governments training cycles are concurrent with the government's fiscal year.) Training hours vary with entity types and investment holdings of municipalities and schools with local investments. Training requirements can be viewed at <https://gtot.nctcog.org/training/pfia-workshops/training-requirements>. PFIA 2256.008

At the next annual review of the investment policy, the Commission should consider approving an amendment to Section VIII ("Responsibility and Controls - Training and Education") to include the requirement of the Public Funds Investment Act (Chapter 2256, Texas Government Code) that all Investment Officers' training, initial and subsequent, compliant with the Act must be received by an independent source approved **solely** by the governing body or a designated investment committee. The relevant section of the Act is below.

Sec.
2256.008. INVESTMENT TRAINING; LOCAL GOVERNMENTS. (a) *Except as provided by Subsections (a-1), (b), (b-1), (e), and (f), the treasurer, the chief financial officer if the treasurer is not the chief financial officer, and the investment officer of a local government shall:*

(1) attend at least one training session from an independent source approved by the governing body of the local government or a designated investment committee advising the investment officer as provided for in the investment policy of the local government and containing at least 10 hours of instruction relating to the treasurer's or officer's responsibilities under this subchapter within 12 months after taking

PG 14-SEC VIII
TRAINING &
EDUCATION

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
		<p><i>office or assuming duties;</i></p> <p>The current policy permits the City Manager or his designee to approve a seminar for PFIA training credit offered by an organization that has not been previously approved by the Commission, which is inconsistent with the above-referenced PFIA section.</p>	
<p>Signed Investment Policy Certification form HB 1701 changes "person" to "business organization" and narrowly defines business organization as either an investment pool or an investment management firm under contract to manage the entity's portfolio with discretionary authority. Very few investment management contracts for public funds grant such discretion, meaning investment pools will generally be the only organizations still required to sign this certification. This bill has all but killed the legal requirement for the policy certification; Public entities may wish to revise their investment policy as it seems likely that brokers, absolved of this legal requirement, may no longer be willing to sign those certifications.</p> <p>Public entities should still provide their investment policy to their brokers, who in fact should be asking for it. Among other things, FINRA's "Know Your Customer" rules, largely established by the suitability requirements of FINRA Rule 2111, require that brokers, "have a reasonable basis to believe that a recommendation is suitable for a particular customer based on that customer's investment profile." Providing the broker with your investment policy should very clearly describe your investment profile, particularly with regard to the primary objective of safety of principal.</p> <p>Compliant certification includes acknowledging that the business organization has:</p> <ul style="list-style-type: none"> a. received and reviewed the entity's Investment Policy; and b. implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's Investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards. PFIA 2256.005 (k-l) 	<p>PG 15 – SEC X AUTH INSTITUTIONS</p>		

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
<p>Establishment and annual review of qualified bidders list Investment Policy must require either the entity's governing body, or its Investment Committee to, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the entity. PFIA 2256.025</p>	<p>PG 15-SEC X AUTH INSTITUTIONS</p> <p>LAST PARAG THE INVEST COMMITTEE....</p>		
<p>Independent Third-Party Safekeeping Securities and collateral will be held by a third-party custodian designated by the entity, and held in the entity's name as evidenced by safekeeping receipts of the institution with which the securities are deposited.</p>	<p>PG 16-SEC XI PLEGGED COLLATERAL</p>		
<p>Delivery vs. Payment Investment Policy must require "delivery vs. payment" (DVP) settlement of all transactions, except local government investment pool and mutual fund transactions. PFIA 2256.005 (b)(4)(E)</p>	<p>PG 6-SEC IV INVEST OBJECT</p> <p>LAST 2 PARAG IN THE SECTION</p>		
<p>Competitive Bidding Investment Policy should require at least three competitive offers or bids for all individual security purchases and sales (excluding transactions with money market mutual funds, local government investment pools and when issued securities, which are deemed to be made at prevailing market rates).</p>	<p>PG 15-SEC IX COMPETITIVE SOLICITATION</p>		
<p>Suitable and Authorized Investments List the types of authorized investments in which the investing entity's funds may be invested. Investments authorized by PFIA are listed in Sections 2256.009 – 2256.016 and Section 2256.019 – 2256.0201. It is recommended that investment descriptions be either directly quoted from PFIA and/or referenced to PFIA. Be sure to include minimum required ratings and maximum allowable stated maturities, where applicable. If Repurchase Agreements are an authorized investment, the policy should require execution of a "Master Repurchase Agreement". Your policy may be more restrictive than PFIA and need not include every investment authorized by PFIA. PFIA 2256.005 (b)(4)(A-B)</p>	<p>PG 6-10 SEC V-AUTHOR INV & MAX TERM</p>		
<p>Prohibited Investments An entity may choose to prohibit certain investments that are authorized by PFIA. The Policy should either: a. list prohibited investments, including those specifically prohibited in PFIA 2256.009 (b)(1-4); or b. state only those investments listed in this section are authorized.</p>	<p>PG 6-10 SEC V AUTHORIZED INV & MAX TERM</p> <p>PG 7 UNAUTHORIZED</p> <p>ALL OTHER PGS IN SECTION ARE AUTHORIZED</p>		
<p>Effect of Loss of Required Rating All prudent measures will be taken to liquidate an investment that is downgraded to less than the required minimum rating. PFIA 2256.021 (do we need to state this twice, it was added to General Objectives)</p>	<p>PG 10-SEC V AUTHORIZED INV & MAX TERM</p> <p>5TH PARAGH STARTS WITH "TO MAINTAIN....</p>		

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
<p>Collateral Policy The governing body must approve a written policy relating to collateralization. It should be included in the Investment Policy and require collateralization for all uninsured collected balances, plus accrued interest, if any. In addition, the policy should address acceptance, substitution, release, and valuation of collateral. Collateral for Public Funds, Chapter 2257, Texas Government Code</p>	<p>PG 6-SEC IV INVEST OBJECT 5TH PARAG</p> <p>PG 6-SEC V AUTH INVEST SEVERAL SECTIONS MENTION THE COLLATERALIZATI ON OF INVEST</p> <p>PG 16-SEC XI PLEGGED COLLATERAL</p>		
<p>Diversification and Maximum Maturities Investment policy must address investment diversification, yield, and maturity. (Yield is normally addressed under General Objectives following primary objectives of safety of principal and liquidity.) PFIA 2256.005 (b)(3)</p>	<p>PG 3-SEC I INTRO 4TH BULLET</p> <p>PG 6-SEC IV INV OBJECT DIVERSIFICATION PARAGRAPH</p> <p>PG 14-SEC VIII RESPON & CONT 2ND BULLET</p>		
<p>Investment Strategies The Investment Policy must require adoption by the governing body of a separate investment strategy for each of the funds, or group of funds, under its control. Each investment strategy must describe the investment objectives for the particular fund using the following priorities in order of importance: (1) understanding of the suitability of the investment to the financial requirements of the entity; (2) preservation and safety of principal; (3) liquidity; (4) marketability of the investment if the need arises to liquidate the investment before maturity; (5) diversification of the investment portfolio; and (6) yield (assign performance benchmarks as appropriate) PFIA 2256.005 (d)</p>	<p>PG 12-13 SEC VII INV MIX & STATEGIES</p>		
<p>Weighted Average Maturity for Pooled Fund Groups If your entity combines funds as a "pooled fund group" for investing purposes, then the maximum dollar-weighted average maturity of the portfolio, based on the stated maturity date, must be included in your Investment Policy. PFIA 2256.005 (b)(4)(C)</p>	<p>PG 11 SEC V AUTH INV & MAX TERM WEIGHTED AVG MATURITY PARAG</p>		
<p>Quarterly Reporting Investment Policy must require quarterly investment reports, prepared by the investment officer(s) and submitted to the governing body. Specific PFIA reporting requirements should be either be included in your policy or referenced to PFIA. PFIA 2256.023</p>	<p>PG 17 SEC XIII INFORMATION REPORTING/EVAL</p>		

CRITERIA	PLACEMENT IN POLICY*	ACCEPTABLE (RECOMMENDATIONS)**	UNACCEPTABLE (RECOMMENDATIONS)
<p>Review by Independent Auditor Quarterly reports must be formally reviewed at least annually by an independent auditor and reported to the governing body. (An entity is exempt from this review if it <i>only</i> invests in money market mutual funds, investment pools or accounts offered by its depository bank in the form of CDs or money market accounts.) PFIA 2256.023 (d)</p>	<p>PG 18 SEC XVI GENERAL PROV PERFORMANCE "AUDITS PARAG"</p>		
<p>Marking to Market The market value of the portfolio must be determined at least quarterly and included in the quarterly investment reports. The Investment Policy must include methods to monitor the market price of investments acquired with public funds (e.g. IDC, Bloomberg, etc.) PFIA 2256.005 b)(4)(D)</p>	<p>PG 17 SEC XIII INFOR REPORT EVALUATION 5TH PARAG STARTS WITH "THE MARKET....."</p>		
<p>Internal Controls Investment Policy must require, in conjunction with its annual financial audit, a compliance audit of management controls on investments and adherence to the entity's established investment policies (see 2256.005(n) for the requirement for state agencies). PFIA 2256.005 (m)</p>	<p>PG 18 SEC XVI GENERAL PROVISIONS PERFORMANCE "AUDITS PARAG"</p>		
<p>Exemption for Existing Investments An entity is not required to liquidate investments that were authorized investments at the time of purchase. PFIA 2256.017</p>	<p>PG 11 SEC VI EXEMPTION FOR EXISTING INVEST</p>		
<p>Annual Review and Adoption of Investment Policy and Strategies Investment Policy must require the governing body to, not less than annually, adopt a written instrument stating that it has reviewed the Investment Policy and investment strategies and that the written instrument so adopted shall record any changes made to either the policy or strategies. PFIA 2256.005 (e)</p>	<p>PG 3-4 SEC II PURPOSE "REVIEW & AMENDMENT" PARAG</p>		

**Reviewer may assign an "acceptable" grade to an item and, if desired, also indicate how the discussion of the item may be improved in the policy.

RESOLUTION NO. 2024-_____

A RESOLUTION APPROVING THE CITY OF KINGSVILLE INVESTMENT POLICY AND INVESTMENT STRATEGIES; DESIGNATING THE CITY MANAGER, DIRECTOR OF FINANCE, AND CITY ACCOUNTING MANAGER AS THE AUTHORIZED CITY REPRESENTATIVES WITH FULL AUTHORITY FOR INVESTMENT PURPOSES, AND PROVIDING FOR DISCLOSURE OF FINANCIAL INTEREST.

WHEREAS, the City Commission previously adopted a formal Investment Policy, which was most recently revised on December 14, 2020; and

WHEREAS, the Finance Department intends to submit the City's Investment Policy to the Government Treasurer's Organization of Texas (GTOT) certification program; and

WHEREAS, the GTOT has established this certification program for those entities that develop an investment policy that meets the requirements of the Public Funds Investment Act and the standards for prudent public investing established by the GTOT, and GTOT has provided suggested revisions to the City's Investment Policy which have been incorporated into the attached policy;

WHEREAS, the City would like to submit the City's Investment Policy to GTOT and suggests no proposed changes be made to the policy prior to submission;

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

I.

THAT the INVESTMENT POLICY (THE "Investment Policy", attached as Exhibit A) is hereby approved:

II.

THAT the City Manager, Director of Finance, and the City Accounting Manager are hereby authorized as City Representatives. The Director of Finance and the City Accounting Manager are authorized as the investment officers responsible for the investment of the City's funds consistent with the investment policy adopted by the City;

III.

THAT the persons designated as investment officers shall exercise the judgment and care, under prevailing circumstances that a prudent person would exercise in the management of the person's own affairs, but that the City Commission retains ultimate responsibility as fiduciary of the assets of the City;

IV.

THAT the authorized officers are hereby granted authority to invest the City's funds until rescinded by the City Commission, until expiration of an officer's term, or the termination of the person's employment with the City.

V.

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

VI.

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 22nd day of July, 2024.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney



INVESTMENT POLICY

Approved by City Commission via Resolution Dated
July 22, 2024

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APPENDICES

- A. PUBLIC FUNDS INVESTMENT ACT
- B. LIST OF AUTHORIZED CITY REPRESENTATIVES
- C. INTEREST DISCLOSURE FORMS
- D. INVESTMENT POLICY RESOLUTION

INTRODUCTION

It is the policy of the City of Kingsville to invest all available monies in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. A cash management program will be pursued to maximize interest earnings as a viable and material revenue source. The City's portfolio shall be designated and managed in a manner responsive to the public trust and consistent with local, state, and federal law.

Investments shall be made with the primary objective of:

- Preservation of capital and protection of principal;
- Maintenance of sufficient liquidity to meet operating needs;
- Security of city funds and investments;
- Diversification of investment to minimize risk while maximizing interest earnings; and
- Maximization of return on the portfolio.

Earnings from investments will be used in a manner that will best serve the interests of the City of Kingsville.

II. PURPOSE

Authorization

This Investment Policy is authorized by the City Commission (see Appendix C) in accordance with Chapter 2256, Subchapter A of the Government Code - The Public Funds Investment Act (see the attached and incorporated Appendix A).

Scope

This Investment Policy applies to activities of the City, excluding pension funds, regarding investing the financial assets of Funds, including, but not limited to:

- General Funds
- Special Revenue Funds
- Enterprise Funds
- Internal Service Funds
- Capital Improvement Funds (Bond Proceeds, Bond Reserves and Debt Service)
- Endowments, Benevolence Fund

In addition to this policy, the investment of Bond Funds, Debt Service, and Reserve Funds shall be managed by their governing ordinances and Federal Law, including the Tax Reform Act of 1986 and subsequent legislation.

Review and Amendment

This policy shall be reviewed annually by the City Commission on or before December 31 of each calendar year after its adoption. The City Commission must authorize amendments to the policy.

The City Commission shall adopt a written instrument by ordinance or resolution stating that it has reviewed the Investment Policy. The written instrument so adopted shall record any changes made to the Investment Policy.

III. DEFINITIONS

Director of Finance – The Director of Finance is the Municipal Finance Officer responsible for City investments.

Director of Finance Designee – Accounting Manager.

Excess Cash Balances – Collected bank balances not needed to pay estimated check clearings.

Investment Officers – Director of Finance and Accounting Manager.

Investment Portfolio – all City monies being invested under authority of the Investment officers.

Institution – Any firm, bank, bondholding company, broker or dealer who provides quotes for either the purchase or sale of investments.

Third Party Safekeeping Institution – Any Institution not affiliated with Institution delivering the Investment.

Investment – All authorized Securities listed in Item V. Authorized investments and maximum term investments approved by the Investment Committee include U.S. Treasuries, U.S. Agencies, Repurchase Agreements, Local Government Investment Pool, and Collateralized Certificates of Deposit.

D.K. (Don't Know) Transaction – An Investment that an Institution fails to deliver to the City's Third-Party Safekeeping Institution.

Collateral - Securities or surety bond pledged by an Institution to safeguard City assets; the City requires either U.S. Treasuries or U.S. Agencies Securities so that the market values can be readily determined at any point in time.

Authorized City Representative – Officers authorized to transact as set out in the attached and incorporated Appendix B on behalf of the City (City Manager, Director of Finance and Accountant).

Reserve Funds – Funds designated by Commission for specific purposes, which have not been appropriated for spending.

Securities – Approved Investments designated by the Investment committee to be held in the Investment Portfolio or acceptable to be pledged as Collateral to secure the monies of the City.

Authorized Selling Group – Primary dealer and regional firms that have been selected by the underwriter to sell their securities. Each authorized member of a selling group will offer the issue at the price authorized by the governmental agency.

Qualified Representative – A person, who holds a position with a business organization, who is authorized to act on behalf of the business organization, and who is one of the following:

- For a business organization doing business that is regulated by or registered with a securities commission, a person who is registered under the rules of the Financial Industry Regulatory Authority (FINRA);
- For a state or federal bank, a savings bank, or a state or federal credit union, a member of the loan committee for the bank or branch of the bank or a person authorized by corporate resolution to act on behalf of and bind the banking institution; or
- For an investment pool, the person authorized by the elected official or board with authority to administer the activities of the investment pool to sign the written instrument on behalf of the investment pool; or
- For an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80-b-1 et seq.) or if not subject to registration under that Act registered with the State Securities Board, a person who is an officer or principal of the investment management firm.

IV. INVESTMENT OBJECTIVES

Preservation and Safety of Principal

Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall Investment Portfolio.

Liquidity

The City's Investment Portfolio must be structured in a manner that maintains the liquidity necessary to pay obligations as they become due. Timing disbursements and depositing funds as quickly as possible can generally maintain sufficient cash flows. Generally, investments are matched to specific cash flow requirements such as payrolls, debt service payments and other payables. Liquidity is also achieved by investing in investments with active secondary markets or in Local Government Pools with stable net asset values.

Return on Investments

The City's Investment Portfolio shall be designed with the objective of regularly exceeding the average yield of the three-month U.S. Treasury bill in a manner consistent with the principles of this policy described in IV. A and B. However, it must be recognized that during a declining market, satisfying this objective may not be practical until investments mature and can be re-invested.

Diversification

Diversification is required because of differing liquidity needs of the City and is employed to control risks. Diversification minimizes the risk to the overall Investment Portfolio of potential losses on individual securities and enhances the safety of the Investment Portfolio.

Through the solicitation of competitive proposals, the City shall allocate and diversify its Investments through various Institutions. The following types of Investments will be solicited from the following types of Institutions:

- Government Securities – through approved brokers;
- Repurchase Agreements – through a Third-Party Safekeeping Institution Agreement, which includes an approved primary dealer;
- Public Funds Investments Pools – through participation agreements; and
- Certificates of Deposit – as allowed by state law and this policy.

The City recognizes that investment risks can result from default risk and market price risks due to various technical and fundamental economic factors, and other complications, leading to temporary illiquidity.

To control market price risks, volatile Investments shall be avoided. To control default risk, the only acceptable method of payment will be on a delivery versus payment-basis for all transactions, except investment pool funds and repurchase agreements.

A delivery versus payment basis provides for payment to Institutions at the time the Investments are recorded in book entry form at the City's Third-Party Safekeeping Institution, currently maintained at the Federal Reserve. For certificates of deposit, sufficient Collateral at 102% of current market values must be pledged to protect all City monies or monies under its control that exceed Federal Deposit Insurance Corporation (FDIC) coverage; the Collateral must be safe kept at a Third-Party Safekeeping Institution not affiliated with the bank or bank holding company providing the certificate of deposit. (See addendum.)

V. AUTHORIZED INVESTMENTS AND MAXIMUM TERM

The City of Kingsville is authorized to invest in:

Authorized Investments – Obligations of, or Guaranteed by Governmental Entities

- obligations, including letters of credit, of the United States or its agencies and instrumentalities;
- direct obligations of this state or its agencies and instrumentalities
- collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States;

- other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, this state or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
- obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; and
- bonds issued, assumed, or guaranteed by the State of Israel.

Unauthorized Investments

The following are not authorized investments:

- obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal
- obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest;
- collateralized mortgage obligations that have a stated final maturity date of greater than 10 years; and
- collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Authorized Investments – Certificates of Deposit and Share Certificates

A certificate of deposit or share certificate is an authorized investment if the certificate is issued by a depository institution that has its main office or a branch office in this state and is:

- guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor;
- secured by obligations that are described by Sec V (A), including mortgage backed securities directly issued by less than the principal amount of the certificates, but excluding mortgage backed securities of the nature described by Section V; or
- secured in any other manner and amount provided by law for deposits for the City of Kingsville.

In addition to the authority to invest funds in certificates of deposit under this section, an investment in certificates of deposit must be made in accordance with:

- the funds are invested by the City of Kingsville through:
 - a broker that has its main office or a branch office in this state and is selected from a list adopted by the City of Kingsville Commission or
 - a depository institution that has its main office or a branch office in this state and that is selected by the City of Kingsville
- the broker or depository institution selected by the City of Kingsville which arranges for the deposit of funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City of Kingsville;

- the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and
- the City of Kingsville appoints the depository institution selected by the City of Kingsville, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the investing entity with respect to the certificates of deposit issued for the account of the investing entity.

Authorized Investments - Repurchase Agreements

A fully collateralized repurchase agreement is an authorized investment under this subchapter if the repurchase agreement:

- has a defined termination date;
- is secured by a combination of cash and obligations described by this section; and
 - requires the securities being purchased by the entity or cash held by the entity to be pledged to the entity, held in the entity's name, and deposited at the time the investment is made with the entity or with a third party selected and approved by the entity;
 - is placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in this state

In this section, "repurchase agreement" means a simultaneous agreement to buy, hold for a specified time, and sell back at a future date obligation described by Section V (A) 1, at a market value at the time the funds are disbursed of not less than the principal amount of the funds disbursed. The term includes a direct security repurchase agreement and a reverse security repurchase agreement.

Notwithstanding any other law, the term of any reverse security repurchase agreement may not exceed 90 days after the date the reverse security repurchase agreement is delivered.

Money received by an entity under the terms of a reverse security repurchase agreement shall be used to acquire additional authorized investments, but the term of the authorized investments acquired must mature not later than the expiration date stated in the reverse security repurchase agreement

Only those investments listed in this section are authorized.

Local Government Investment Pool

The City of Kingsville may invest its funds and funds under its control through an eligible investment pool by way of rule, order, ordinance, or resolution by the City Commission. An investment pool shall invest the funds it receives from entities in authorized investments permitted by this section. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with this section and the investment policies and objective adopted by the investment pool.

To be eligible to receive funds from and invest funds on behalf of the City of Kingsville, an investment pool must furnish to the investment officer or other authorized representative an offering circular or other similar disclosure of the instrument that contains, at a minimum, the following information:

- the types of investments in which money can be invested;
- the maximum average dollar-weighted maturity allowed, based on the stated maturity date, or the pool;
- the maximum stated maturity date any investment security within the portfolio has;
- the objectives of the pool;
- the size of the pool;
- the names of the members of the advisory board of the pool and the dates their terms expire;
- the custodian bank that will safe keep the pool's assets;
- whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
- whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
- the name and address of the independent auditor of the pool;
- the requirements to be satisfied for an entity to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for the entity to invest funds in and withdraw funds from the pool; and
- the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios.

To maintain eligibility to receive funds from and invest funds, an investment pool must furnish to the investment officer or other authorized representative of the entity:

- investment transaction confirmations; and
- a monthly report that contains, at a minimum, the following information:
 - the types and percentage breakdown of securities in which the pool is invested;
 - the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
 - the current percentage of the pool's portfolio in investments that have state maturities of more than one year;
 - the book value versus the market value of the pool's portfolio, using amortized cost valuation;
 - the size of the pool;
 - the number of participants in the pool;
 - the custodian bank that is safekeeping the assets of the pool;
 - a listing of daily transaction activity for the City of Kingsville
 - the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
 - the portfolio managers of the pool; and
 - any changes or addenda to the offering circular.

The City of Kingsville may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its local funds.

In this section, "yield" shall be calculated in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

To be eligible to receive funds from and invest funds on behalf of the City of Kingsville, a public funds investment pool created to function as a money market mutual funds must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a \$1 net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ratio between 0.995 and 1.005. In addition to the requirements of the Investment Policy and any other forms of reporting, a public funds investment pool created to function as money market mutual fund shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds.

To be eligible to receive funds from and invest funds on behalf of the City of Kingsville under this section, a public funds investment pool must have an advisory board composed:

- equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or
- of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Kingsville, an investment pool must be continuously rate no lower than AAA or AA-m or at an equivalent rating by at least one nationally recognized rating service. If liquidation is necessary due to security's loss of rating, all prudent measures will be taken to liquidate the investment.

If the investment pool operates an Internet website, the information in a disclosure instrument or report described in section b, c (ii) and f must be posted on the website.

To maintain eligibility to receive funds from and invest funds on behalf of the City of Kingsville under this section, an investment pool must make available an annual audited financial statement of the investment pool in which funds are invested.

If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

Collateralized Certificates of Deposit – maximum term up to 1 year

Certificates of deposit to other instruments issued by state and national banks doing business in Texas that are:

- Guaranteed or insured by the Federal Deposit Insurance Corporation or its successor; or
- Secured by obligations that are described by Section V

Certificates of deposit must be fully collateralized at 102% of their market value. The City requires the bank to pledge U.S. treasuries or U.S. agencies as collateral, (Collateral Mortgage Obligations will not be eligible as Collateral see X.C.).

Weighted Average Maturity

To minimize risk of loss to Investment Portfolio due to interest rate fluctuations, Investment maturities will not exceed the anticipated cash flow requirements of the Funds. Maturity guidelines by Fund are as follows:

- Operating Funds - The weighted average days to maturity of Investments, other than Reserve Funds, shall be 365 days or less. The Investment Officers will monitor the maturity level and make changes as appropriate.
- Capital Improvement Funds (Bond Proceeds, bond Reserves, and Debt Service) - The Investment maturity of that portion of the City Portfolio that represents Capital Improvement Funds (bond proceeds, reserve funds, and debt service) shall be determined considering:
 - The anticipated cash flow requirements of the Capital Improvement Funds; and
 - The "temporary period" as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the Capital Improvement Funds.

Before an Investment can be made of bond proceeds from all bond issues affected by the Tax Reform Act of 1986, a careful yield analysis must be performed to comply with the Tax Reform Act. Also, an annual rebate calculation must be performed to determine if the City is required to rebate interest at the end of each respective bond issue's five-year term. Beginning on the anniversary of the third year for the respective bond issues, all bond proceeds will be yield restricted as required by the Tax Reform Act.

- Reserve Funds: Established by Operative Bond Fund or by the City Commission - the following Reserve Funds may be invested up to two years in U.S
- Revenue Bond Interest & Sinking – Treasuries with a maximum value of \$400,000
- G.O. Debt Service Fund – Treasuries with a maximum value of \$750,000

City monies governed by this Policy may not be invested in other investments permitted by law unless (i) such investments are specifically authorized for the investment of these monies by an ordinance adopted by the City Commission issuing bonds or other debt obligations or (ii) this Policy is amended to permit such investment.

VI. EXEMPTION FOR EXISTING INVESTMENTS

The City of Kingsville is not required to liquidate investments that were authorized investments at the time of purchase.

VII. INVESTMENT MIX AND STRATEGIES

Investment Mix

As a target to ensure adequate liquidity, the Investment Portfolio administered by the Investment Officers should consist of at least 10% in U.S. Treasury Securities described in V.A.I.a. and/or certificates of deposit. A minimum of 35% of the total Investment Portfolio shall be held in Investments with maturity dates of 90 days or less for liquidity. U.S. Treasuries/Agencies may be purchased for longer term maturities (greater than one year) but shall not exceed 10% of the total Investment Portfolio to preserve liquidity.

Investment reports shall specifically address whether stated Investment mix requirements are being met. Unless approved by the Investment Advisory Committee, the target percentages specified shall not be exceeded for temporary periods greater than (30) thirty days without the Investment Officers taking corrective action.

Strategies

Investment strategies for Operating Funds and Capital Improvement Funds have as the primary objective the assurance that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create an Investment Portfolio structure that will experience minimal volatility during economic cycles. To accomplish this strategy, the City will purchase high quality, short-to-medium term investments which will complement each other.

To pay for anticipated disbursements, investments will be laddered to correspond with the projected cash needs of the City. Some Investments are acquired on the short end of the yield curve (90 days or less) to meet immediate cash needs. A few Investments are purchased on the intermediate part of the yield curve (1-2 years) to lock in high interest rates when rates are projected to decline due to the economic cycle of the economy. The dollar weighted average investment maturity of 365 days or less will be calculated using the stated final maturity dates of each investment.

Investment strategies for debt service funds shall have as the primary objective the assurance of investment liquidity adequate to cover the debt service obligations on the required payment date. Investments purchased shall not have a stated final maturity date that exceeds the debt service payment date.

Investment strategies for debt service reserve funds shall have as the primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from investments with a low degree of volatility. In accordance with the bond ordinance specific to an individual bond issue that sets out the maximum investment term, Investments should be of high quality, with short-to-intermediate-term maturities.

Achieving Investment Return Objectives

Investment selection shall be based on legality, appropriateness, liquidity, and risk/return considerations. Monies designated for immediate expenditure should be passively invested.

Passive Investment provides for:

- Liquidity to pay upcoming disbursements (payroll, debt service, payments, payables, etc.);
- Maximizing investment terms under the current budget; and
- Structuring the Investment Portfolio on a "laddered" basis.

The remaining portion of the Investment Portfolio may be invested actively.

VIII. RESPONSIBILITY AND CONTROLS

Authority to Invest

The authority to invest City funds and the execution of any documentation necessary to evidence the investment of City funds is granted to the Director of Finance. The Director of Finance or Designee will approve all investments in writing.

The City Commission may contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of public funds or other funds under its control. A contract made under authority of this subsection may not be for a term longer than two years. The City Commission must approve a renewal or extension of the contract by ordinance or resolution.

Establishment of Internal controls

The Director of Finance will establish a system of internal controls over Investment activities of the City that are consistent with this Investment Policy. Investment procedures should include reference to the following: safekeeping agreements, repurchase agreements, wire transfer agreements, collateral agreements, depository service contracts and agreements, broker/dealer selection criteria, and security bidding and purchase processes. Such procedures shall include explicit delegation of authority to persons responsible for routine authorization of investments and the Accounting Manager shall be responsible for proper accounting of investments to maintain appropriate internal controls. The Director of Finance shall establish a system of controls to regulate the activities of subordinates.

Prudent Investment Management

Investments shall be made with the same judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Prudent investment is to be judged by the Investment Portfolio as a whole, not on individual Investments.

The standard of prudence to be used by Investment Officers shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. The Investment Officers, acting in accordance with written procedures and the Investment Policy, and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or

market price changes provided deviations from expectations are reported immediately upon knowledge of the deviation and appropriate action is taken to control adverse developments.

Investment Officers shall seek to act responsibly as custodians of the public trust. Investment Officers shall avoid any transaction that might impair public confidence in the City's ability to govern effectively. The designated Investment Officers shall perform their duties in accordance with the adopted Investment Policy and Procedures set forth in the Investment Procedures Manual. Investment Officers acting in good faith and in accordance with these policies and procedures shall be relieved of person liability.

Investment of monies shall be governed by the following investment objectives in order of priority:

- preservation and safety or principal - by insuring that all securities are of a sufficiently high quality and duration to limit exposure to credit and market risks. The portfolio should therefore experience minimal volatility during varying economic cycles. Securities of all types are purchased with the intention of holding until maturity;
- liquidity - including the ability to reasonably meet unanticipated needs by purchasing securities with an active secondary/resale market. Diversification is maintained to minimize possible credit risk in a specific security type; and
- yield - obtaining a market rate of return while considering risk constraints and cash flow needs, is much less important than safety of principal and liquidity. The majority of investments are limited to low risk securities earning an equitable rate of return relative to the amount of risk.

Standards of Ethics

To the extent required by section 2256.005(i) of the Government Code, the Authorized City Representatives shall make such filings as required by law.

Training and Education

Recognizing that the training and education of Investment Officers contributes to efficient and effective investment management, the City requires its City Manager, Director of Finance, Accounting Manager and designated Investment Officers to receive ten (10) hours of training within twelve (12) months of taking office and at least eight (8) hours every two years; training must be from an independent source approved by the entity's governing body, and training must include controls, risks, diversification and PFIA compliance. Such training is currently required by and shall be obtained in accordance with *Section 2256.008-Investment Training; Local Governments* of the Government Code Public Funds Investment Act. The Investment Committee approves investments - training seminars presented by the following organizations.

- Government Finance Officers Association
- Government Finance Officers Association of Texas
- Government Treasurers Organization of Texas
- Municipal Treasurers Association
- Texas Municipal League

~~If the Investment Officer desires to attend an investment training seminar presented by another organization for training credit, such seminar must be approved by the City Manager or his designee.~~

IX. COMPETITIVE SOLICITATION

Except for repurchase agreements and public funds investment pools, any new issue investment will be purchased through an Authorized Selling Group or directly through the issuer. For any Investment purchased or sold through the secondary market, the City will obtain at least three proposals from authorized Institutions.

Any Institution authorized to participate in the City's investment program must meet Collateral pledge requirement outlined in Section IV.D. And must submit annual financial reports.

X. AUTHORIZED INSTITUTIONS

All institutions who seek to sell an authorized Investment to the City are required to complete the questionnaire approved by the Investment Committee and furnish supporting documentation required by the Investment Committee. Securities shall only be purchased through those Institutions approved by the Investment Committee.

Investments shall only be made with those Institutions who have executed a written instrument in a form acceptable to the City, executed by a Qualified Representative of the Institution, and substantially to the effect that the Institution has:

- Received, thoroughly reviewed and acknowledged, in writing, receipt and understanding of the City's Investment Policy, and;
- Acknowledged that the Institution has implemented reasonable procedures and controls to preclude investment transactions conducted between the Institution and the City that are not authorized by the City's Investment Policy.

Investments shall only be made with those business organizations (including money market mutual funds and local government invest pools) that have provided the entity with a written instrument, executed by a qualified representative of the firm, acknowledging that the business organization has:

- received and reviewed the entity's investment Policy; and
- implemented reasonable procedures and controls to preclude investment transactions conducted between the entity and the organization that are not authorized by the entity's investment Policy, except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio or requires an interpretation of subjective investment standards.

The Investment Committee shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

The Director of Finance will request the Investment Committee to authorize deletion of Institutions for:

- slow response time;
- less than competitive pricing;
- little or no information on technical or fundamental expectations based on economic indicators;
- D.K. Transactions or continuing operational difficulties;
- unwillingness to continue to abide the provisions listed in IX.A; or
- Other reasons as approved by the Investment Committee.

XI. PLEDGED COLLATERAL

The market value of pledged collateral must be at least 102% of the principal plus accrued interest for Excess Cash Balances, certificates of deposit, and repurchase agreements and held in the entity's name as evidenced by safekeeping receipts of the institution with which the securities are deposited. Evidence of proper collateralization in the form of original safekeeping receipts held at a Third-Party Safekeeping Institution not affiliated with the Institution pledging the Collateral will be approved by the Director of Finance and will be maintained in his/her Office. An authorized City Representative (See Appendix B) will approve and release all pledged collateral.

Collateral Substitution

Collateralized Investments and certificates of deposit often require substitution of collateral. Any Institution must contact the Investment Officers for approval and settlement. The substituted collateral's value will be calculated, and substitution approved if its value is equal to or greater than the required collateral value. Substitution is allowable for all transactions, but should be limited, to minimize the City's potential administrative problems.

Collateral Reductions

Should the collateral's market value exceed the required amount, any Institution may request approval from the Investment Officer to reduce collateral. Collateral reductions may be permitted only if the City's records indicate that the collateral's market value exceeds the required amount.

Prohibited Securities

Investment securities described in Section 2256.009(b), Government Code, shall not be eligible for use as collateral of City's monies governed by this Policy.

XII. SAFEKEEPING

Third Party Safekeeping Agreement

The City shall contract with a Bank or Banks for safekeeping Securities either owned by the City as a part of its Investment Portfolio or held as Collateral to secure certificates of deposit, repurchase agreements, or Excess Cash Balances.

Safekeeping of Certificate of Deposit Collateral

All Collateral Securing bank and savings and loan deposits must be held in the City of Kingsville's name by a Third-Party Safekeeping Institution approved by the City as evidenced by safekeeping receipts of the institution with which the securities are deposited, or Collateral may be held at the Federal Reserve Bank.

Safekeeping of Repurchase Agreement Collateral

The U.S. treasuries that serve as Collateral for repurchase agreements with Institutions must be delivered to a Third-Party Safekeeping Institution with which the city has established a third-party safekeeping agreement.

XIII. INFORMATION REPORTING/EVALUATION

The Director of Finance and Accounting Manager are hereby designated as the Investment Officers and are responsible for the daily operation of the Investment program and will report to the Investment Committee on a quarterly basis.

Investment Committee Consists of:

- City Commissioner (1)
- City Manager
- Assistant City Manager (if any)
- Director of Finance
- City Attorney

The Investment Committee will be responsible for monitoring, reviewing, and making recommendations regarding the City's Investment program to the City Commission. Reports will be provided to the City Commission by the Investment Officers no less than quarterly, as required by the Public Funds Investment Act.

On a quarterly basis, the City's main depository and all applicable Institutions providing certificates of deposit in excess of FDIC coverage will provide to the Investment Officer for review a copy of the balance sheet and income statement for the Call Report. All Institutions will provide annual audited financial statements. Any local government investment pools must provide reports and disclosure statements as required by the Public Funds Investments Act.

The market value of the portfolio must be determined at least quarterly from a reputable and independent source and disclosed to the governing body quarterly in the investment report.

Record Retention

The City follows the guidelines of retaining records for five years from City's current fiscal year, as required and authorized by the City's local records management guidelines.

XIV. BANKING SERVICES

All depository services are provided in the City's main depository agreement. Other services such as credit cards, direct deposit of payroll or other services may be administered through separate agreements. To aggressively invest Excess Cash Balances, controlled disbursements accounts, zero balance accounts and other cash management tools may be employed.

XVI. GENERAL PROVISIONS

Audits and Inspections

During regular business hours and as often as the Investment Officers deem necessary, the Institution providing certificates of deposit will make available for examination by the City Manager, his duly authorized agent, accountant, or legal representative, such records and data to assure to the pledge of collateral, availability of Collateral, and financial stability of the Institution.

Compliance with Laws

Each Institution agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances. The personnel or officers of such Institution shall be fully qualified and authorized under federal, state, and local law to perform the services set out under this Policy. Each Institution shall permit the Investment Officers to audit, examine, and make excerpts or transcripts from such records and to make audits of all contract, invoices, materials, and other data relating to applicable Investment.

Performance Audits

The City's Annual External Financial Audit shall include a compliance audit of management controls on Investments and adherence to this Policy. The quarterly reports prepared by Investment Officers for the City commission must be formally reviewed at least annually by an independent auditor if the city invests in other than money market mutual funds, investment pools or accounts offered by its depository in the form of certificates of deposit or money market accounts. The auditor shall report the results of the review to the City Commission.

Investment Policy Resolution

The resolution authorizing this Investment Policy is attached and incorporated as Appendix C "Investment Policy Resolution."

APPENDIX A

Public Funds Investment Act

APPENDIX B

LISTING OF AUTHORIZED CITY REPRESENTATIVES

CITY OF KINGSVILLE

Attached to and made a part of the City of Kingsville
Investment Policy Approved by the City Commission on February 26, 2024

The signatures below are the signatures of Authorized City Representatives vested with full authority to sign and transact business related to the investment of funds for the City of Kingsville. The Authorized City Representatives are authorized to deposit funds, transfer funds within accounts or withdraw funds as necessary to efficiently carry out the requirements of the City of Kingsville's Investment Policy.

The signatures of the officers subscribed below are true and genuine:

City Manager

Director of Finance

Accounting Manager

THIS LISTING OF AUTHORIZED CITY REPRESENTATIVES is effective this 26th day of February 2024 and revokes all previous authorizations.

APPENDIX C

INTEREST DISCLOSURE FORM

TO: Texas Ethics Commission, Mayor and City Commission

FROM: _____

SUBJECT: Disclosure under the Public Funds Investment Act

As City Manager and Authorized City Representative, for purposes of investing City funds. I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the City as of the date of the completion of this form, in compliance with Public Funds Investment Act.

1. I have the following "personal business relationships" with individual or entities who are offering to engage, have offered or may offer to engage in an investment transaction with the City of Kingsville.

2. I own ten per cent (10%) or more of the voting stock or shares of or \$5,000 or more of the fair market value of the following business organization.

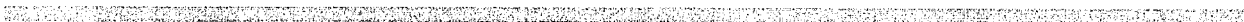
3. I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year.

4. I acquired from the following business organizations during the previous year investments with a book value of \$2,500 or more for my personal account.

5. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell as investment to the City of Kingsville.

City Manager

Date



APPENDIX C

INTEREST DISCLOSURE FORM

TO: Texas Ethics Commission, Mayor and City Commission

FROM: _____

SUBJECT: Disclosure under the Public Funds Investment Act

As Finance Director and Authorized City Representative, for purposes of investing City funds. I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the City as of the date of the completion of this form, in compliance with Public Funds Investment Act.

1. I have the following "personal business relationships" with individual or entities who are offering to engage, have offered or may offer to engage in an investment transaction with the City of Kingsville.

2. I own ten per cent (10%) or more of the voting stock or shares of or \$5,000 or more of the fair market value of the following business organization.

3. I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year.

4. I acquired from the following business organizations during the previous year investments with a book value of \$2,500 or more for my personal account.

5. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell as investment to the City of Kingsville.

Finance Director

Date

APPENDIX C

INTEREST DISCLOSURE FORM

TO: Texas Ethics Commission, Mayor and City Commission

FROM: _____

SUBJECT: Disclosure under the Public Funds Investment Act

As Accounting Manager and Authorized City Representative, for purposes of investing City funds. I submit this disclosure of my relationships with entities or individuals who are offering, have offered, or may offer to engage in an investment transaction with the City as of the date of the completion of this form, in compliance with Public Funds Investment Act.

1. I have the following "personal business relationships" with individual or entities who are offering to engage, have offered or may offer to engage in an investment transaction with the City of Kingsville.

2. I own ten per cent (10%) or more of the voting stock or shares of or \$5,000 or more of the fair market value of the following business organization.

3. I have received from the following business organizations funds that exceed ten percent (10%) of my gross income for the previous year.

4. I acquired from the following business organizations during the previous year investments with a book value of \$2,500 or more for my personal account.

5. I am related within the second degree of affinity (marriage) or consanguinity (blood) as determined by Chapter 573, Government Code, to the following individuals who are seeking, have sought or may seek to sell as investment to the City of Kingsville.

Accounting Manager

Date

APPENDIX D

Investment Policy Resolution

AGENDA ITEM #10

**City of Kingsville
Finance Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Deborah Balli, Finance Director
DATE: July 12, 2024
SUBJECT: Establish Budget for CO Series 2024-Fire

Summary:

This Budget Amendment is required to establish the budget for CO Series 2024 for the Fire Department. Included in this bond sale is the ladder truck, fire engine, medic unit, SCUBA equipment and the new fire station (#3).

Financial Impact:

The proceeds from the bond sale will fund the items included in the bond sale and the debt service part of the effective tax rate will pay the debt service obligation from the General Fund Debt Service Fund 011.

Recommendation:

Staff recommends the approval of this budget amendment.



ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO SETUP BUDGET FOR THE CO SERIES 2024 BOND ISSUE FOR THE FIRE STATION AND RELATED EQUIPMENT.

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 2023-2024 budget be amended as follows:

CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#53

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 153 – CO Series 2024					
<u>Revenues - 4</u>					
0000	Non-Dept	Bond Proceeds	99500	\$14,335,000	
0000	Non-Dept	Bond Issue Premium	99600	\$468,680	
<u>Expenditures - 5</u>					
5100	Bonds	Bond Issuance Costs	31404	\$278,680	
2200	Fire	Vehicle	71100	\$2,924,461	
2200	Fire	Machinery & Equipment	71200	\$500,000	
2200	Fire	Building	71300	\$11,100,539	

[To amend the City of Kingsville FY 23-24 budget to setup budget for the CO Series 2024 for the fire station and related equipment. Funding for this project will come from CO Series 2024 bond issue.]

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 22nd day of July 2024.

PASSED AND APPROVED on this the 12th day of August 2024.

EFFECTIVE DATE: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

AGENDA ITEM #11

Authorize
ARP Funds

**City of Kingsville
Purchasing Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Charlie Sosa Purchasing Manager
DATE: July 1, 2024
SUBJECT: ARP Funds Reallocation and Fund 6001 Utility Plant Division Budget Amendment Request

Summary:

This item authorizes the use of ARP Funds and a budget amendment for the additional funding for the Utility Plant Division for the new water meter replacement project.

Background:

The City of Kingsville is currently installing replacement water meters throughout the city, which includes the purchase of new water meters and the installation. During the installation process, many meter boxes along with replacement of curb stop valves and meter re-adjustments were needed and done, but not part of the original contract. The city is requesting additional funding for the additional work that was done by the contractor, as well as for the additional meters and associated parts needed to keep in stock. Staff is requesting an additional \$618,800.00 for the additional work and associated parts. Funds will be transferred from ARP General Fund to ARP Utility Fund. Staff is requesting the funds be allocated to expenditure fund GL account #141-5-6001-71200 for the funding of the new water meter replacement project.

Financial Impact:

This will appropriate funding for the ARP Utility Fund in the amount of \$618,800.00 to GL #141-5-6001-71200.

Recommendation:

Staff requests: 1) the funds be allocated from ARP General Fund to ARP Utility Fund to the GL #141-5-6001-71200 for the funding of the new water meter replacement project and 2) a budget amendment for same.



AGENDA ITEM #12

Budget Am-
ARP Funds

**City of Kingsville
Purchasing Department**

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Charlie Sosa Purchasing Manager
DATE: July 1, 2024
SUBJECT: ARP Funds Reallocation and Fund 6001 Utility Plant Division Budget Amendment Request

Summary:

This item authorizes the use of ARP Funds and a budget amendment for the additional funding for the Utility Plant Division for the new water meter replacement project.

Background:

The City of Kingsville is currently installing replacement water meters throughout the city, which includes the purchase of new water meters and the installation. During the installation process, many meter boxes along with replacement of curb stop valves and meter re-adjustments were needed and done, but not part of the original contract. The city is requesting additional funding for the additional work that was done by the contractor, as well as for the additional meters and associated parts needed to keep in stock. Staff is requesting an additional \$618,800.00 for the additional work and associated parts. Funds will be transferred from ARP General Fund to ARP Utility Fund. Staff is requesting the funds be allocated to expenditure fund GL account #141-5-6001-71200 for the funding of the new water meter replacement project.

Financial Impact:

This will appropriate funding for the ARP Utility Fund in the amount of \$618,800.00 to GL #141-5-6001-71200.

Recommendation:

Staff requests: 1) the funds be allocated from ARP General Fund to ARP Utility Fund to the GL #141-5-6001-71200 for the funding of the new water meter replacement project and 2) a budget amendment for same.



ORDINANCE NO. 2024-_____

AN ORDINANCE AMENDING THE FISCAL YEAR 2023-2024 BUDGET TO REALLOCATE GENERAL FUND ARP FUNDING FOR THE FIRE STATION DESIGN TO UTILITY FUND ARP FUNDING FOR THE WATER METER 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 2023-2024 budget be amended as follows:

CITY OF KINGSVILLE
DEPARTMENT EXPENSES
BUDGET AMENDMENT – BA#52

Dept No.	Dept Name	Account Name	Account Number	Budget Increase	Budget Decrease
Fund 121-GF ARP					
<u>Expenditures – 5</u>					
2200	Fire	Professional Services	31400		\$618,800
6900	Transfer	Transfer to Fund 125	80125	\$618,800	
Fund 125-UF ARP					
<u>Revenues - 4</u>					
0000	Non-Dept	Transfer from Fund 121	75121	\$618,800	
6001	Water	Utility Plant	54300	\$618,800	

[To amend the City of Kingsville FY 23-24 budget to reallocate GF ARP funding for the Fire Station Design to UF ARP Funding for the Water Meter Project. Funding for this project will come from reallocation of committed ARP projects.]

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 22nd day of July 2024.

PASSED AND APPROVED on this the 12th day of August 2024.

EFFECTIVE DATE: _____

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

AGENDA ITEM #13

City of Kingsville
Purchasing Department

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Charlie Sosa, Purchasing Manager
DATE: June 20, 2024
SUBJECT: Real Estate Broker Agreement

Summary:

This item authorizes the Real Estate Broker Agreement with EXP Realty LLC., for the sale of real property located at 400 E. Caesar (9th Block 24, lots All, (S. Closed Ragland St.) (Old Hospital Storage) owned by the City of Kingsville.

Background:

Staff was authorized to negotiate with an MLS (Multiple Listing Service) Broker Service as pursuant by section 253.014 in the Government Code. Staff contacted MLS Brokers locally and has recommended MLS Broker EXP Realty LLC. Staff has reviewed Real Estate Broker Agreement. Said contract is attached.

Financial Impact:

This item has no financial impact until the property is sold.

Recommendation:

It is recommended the City Commission approves the Commercial Real Estate Listing Agreement with EXP Realty LLC located at 6022 Edgewater Drive, Corpus Christi, TX. 78412 with all reasonable offers to brought back to Commission for approval.



RESOLUTION #2024-_____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A COMMERCIAL REAL ESTATE LISTING AGREEMENT TERMINATION BETWEEN THE CITY OF KINGSVILLE AND NICHOLE SAENZ OF EXP REALTY, LLC FOR THE SALE OF THE NORTH SIDE OF THE 400 BLOCK OF EAST CAESAR AVE., KINGSVILLE, TEXAS, ALSO KNOWN AS 9TH, BLOCK 24, LOTS ALL AND S/2 OF CLOSED RAGLAND ST., ALSO KNOWN AS THE OLD HOSPITAL SITE; REPEALING ALL CONFLICTING RESOLUTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Kingsville owns approximately 3.030 acres of land at the north side of the 400 Block of East Caesar Ave., Kingsville, Texas also known as 9th, Block 24, Lots ALL and S/2 of closed Ragland St. also known as the old hospital site;

WHEREAS, on June 24, 2024, the City Commission of the City of Kingsville via Resolution #2024-63 found that it in the best interest of the citizens of Kingsville that the City-owned property located at the north side of the 400 Block of East Caesar Ave., Kingsville, Texas also known as 9th, Block 24, Lots ALL and S/2 of closed Ragland St. also known as the old hospital site, be placed for sale as authorized by the Texas Local Government Code via a broker; and

WHEREAS, Texas Local Government Code Section 253.014 allows for certain public property to be sold via a broker with the best offer coming back before the Commission for approval of the sale and the City qualifies for this type of sale;

WHEREAS, the City has located a local realtor, Nichole Saenz of eXp Realty, LLC, licensed to perform such listings required by the statute;

WHEREAS, the City and Nichole Saenz of eXp Realty, LLC, have worked to complete the Texas Realtors "Commercial Listing Agreement Termination" for the listing of the City property located at the 400 Block of East Caesar Ave., Kingsville, Texas also known as 9th, Block 24, Lots ALL and S/2 of closed Ragland St., also known as the old hospital site.

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

I.

THAT the City Manager is authorized and directed as an act of the City of Kingsville, Texas to enter into "Commercial Listing Agreement Termination" for

the listing of the City property located at the 400 Block of East Caesar Ave., Kingsville, Texas also known as 9th, Block 24, Lots ALL and S/2 of closed Ragland St., also known as the old hospital site between the City of Kingsville and Nichole Saenz of eXp Realty, LLC, and other documents necessary for such listing in accordance with Exhibit A hereto attached and made a part hereof.

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 22nd day of July, 2024.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney



COMMERCIAL REAL ESTATE LISTING AGREEMENT
EXCLUSIVE RIGHT TO SELL

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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1. PARTIES: The parties to this agreement (this Listing) are:

Seller: City Of Kingsville,

Address: North Side of 400 Block East Caesar Ave 9th, Block 24, Lots All and s/2 closed Ragland St
City, State, Zip: Kingsville, TX 78363-6906
Phone: Mobile: Fax or E-Mail:

Broker: eXp Realty, LLC

Address: 9600 Great Hills Trail, STE 150 W
City, State, Zip: Austin, TX 78759
Phone: (361)522-4718 Mobile: (361)522-4718 Fax or E-Mail:

Seller appoints Broker as Seller's sole and exclusive real estate agent and grants to Broker the exclusive right to sell the Property.

2. PROPERTY:

A. "Property" means the following real property in Texas:

Address: North Side of 400 Block East Caesar Ave, 9th, Block 24, Lots All and s/2 closed Ragland St
City: Kingsville County: Kleberg Zip: 78363
Legal Description (Identify exhibit if described on attachment):

B. Except as otherwise provided in this Listing, Broker is to market the Property together with:

- (1) all buildings, improvements, and fixtures;
(2) all rights, privileges, and appurtenances pertaining to the Property, including Seller's right, title, and interest in any minerals, utilities, adjacent streets, alleys, strips, gores, easements and rights-of-way;
(3) Seller's interest in all leases, rents, and security deposits for all or part of the Property;
(4) Seller's interest in all licenses and permits related to the Property;
(5) Seller's interest in all third party warranties or guaranties, if transferable, relating to the Property or any fixtures;
(6) Seller's interest in any trade names, if transferable, used in connection with the Property; and
(7) all Seller's tangible personal property located on the Property that is used in connection with the Property's operations except:

(Describe any exceptions, reservations, or restrictions in Special Provisions or an addendum. If the Property is a condominium, attach Condominium Addendum to Listing (TXR-1401).)

Commercial Listing concerning _____

3. LISTING PRICE:

- A. Seller instructs Broker to market the Property at the following sales price: \$ 225,000.00
Two Hundred Twenty-Five Thousand
(Listing Price).
- B. Seller agrees to sell the Property for the Listing Price or any other price acceptable to Seller. Seller will pay all typical closing costs charged to sellers of commercial real estate in Texas (seller's typical closing costs are those set forth in the commercial contract forms published by Texas REALTORS®) except _____

4. TERM:

- A. This Listing begins on July 8, 2024 and ends at 11:59 p.m. on July 1, 2025. Seller may terminate this Listing on notice to Broker any time after September 1, 2024.
- B. If Seller enters into a binding written contract to sell the Property before the date this Listing begins and the contract is binding on the date this Listing begins, this Listing will not commence and will be void.

5. BROKER'S FEE:

A. Fee: When earned and payable, Seller will pay Broker a fee of:

- (1) 6.000 % of the sales price.
 (2) _____

B. Earned: Broker's fee is earned when any one of the following occurs during this Listing:

- (1) Seller sells, exchanges, agrees to sell, or agrees to exchange all or part of the Property to anyone at any price on any terms;
- (2) Broker individually or in cooperation with another broker procures a buyer ready, willing, and able to buy all or part of the Property at the Listing Price or at any other price acceptable to Seller;
- (3) Seller grants or agrees to grant to another person an option to purchase all or part of the Property;
- (4) Seller transfers or agrees to transfer all or part of Seller's interest (stock or shares) in any entity that holds title to all or part of the Property for the purpose of conveying all or part of the Property to another person; or
- (5) Seller breaches this Listing.

C. Payable: Once earned, Broker's fee is payable either during this Listing or after it ends at the earlier of:

- (1) the closing and funding of any sale or exchange of all or part of the Property;
- (2) Seller's refusal to sell the Property after Broker's Fee has been earned;
- (3) Seller's breach of this Listing; or
- (4) at such time as otherwise set forth in this Listing.

Broker's fee is not payable if a sale of the Property does not close or fund as a result of: (i) Seller's failure, without fault of Seller, to deliver to a buyer a deed or a title policy as required by the contract to sell; (ii) loss of ownership due to foreclosure or other legal proceeding; or (iii) Seller's failure to restore the Property, as a result of a casualty loss, to its previous condition by the closing date set forth in a contract for the sale of the Property.

D. Other Fees:

(1) Lease of Property: If, during this Listing, Broker procures a tenant to lease all or part of the Property and Seller agrees to lease all or part of the Property to the tenant, Seller will pay Broker at the time the lease is executed the fee described below. If, during the term of the lease, the tenant agrees to purchase all or part of the Property, Seller will pay Broker the fee specified in Paragraph 5A in addition to the amount described below.

(a) na % of all base rents to be paid over the term of the lease and the same percentage of the following items to be paid over the term of the lease: expense reimbursements; and na

(b) na

(2) Renewals, Extensions, or Expansions of Property: If, during this Listing or after it ends, Seller renews, extends, or expands the lease, Seller will pay Broker, at the time the renewal, extension, or expansion becomes effective, a fee of:

(a) na % of all base rents to be paid over the term of the renewal or extension and the same percentage of the following items to be paid over the same term: expense reimbursements based on initial amounts na;

(b) na % of all base rents to be paid over the term of the expansion and the same percentage of the following items to be paid over the same term: expense reimbursements based on initial amounts na; or

(c) na

In addition to their ordinary meanings, "extensions", "renewals," and "expansions" include new leases for more, less, or different space in the building or complex in which the property is located.

(3) Breach by Buyer Under Contract: If Seller collects earnest money, the sales price, or damages by suit, compromise, settlement or otherwise from a buyer who breaches a contract for the sale of all or part of the Property entered into during this Listing, Seller will pay Broker, after deducting attorney's fees and collection expenses, an amount equal to the lesser of one-half of the amount collected after deductions or the amount of the Broker's Fee stated in Paragraph 5A. Any amount paid under this Paragraph 5D(3) is in addition to any amount that Broker may be entitled to receive for subsequently selling the Property.

(4) Service Providers: If Broker refers Seller or a prospective buyer or tenant to a service provider (e.g., mover, cable company, telecommunications provider, utility, or contractor) Broker may receive a fee from the service provider for the referral. Any referral fee Broker receives under this Paragraph 5D(4) is in addition to any other compensation Broker may receive under this Listing.

(5) Other Fees and/or Reimbursable Expenses: na

Commercial Listing concerning _____

E. Protection Period:

- (1) "Protection period" means that time starting the day after this Listing ends and continuing for _____ days.
- (2) Not later than 10 days after this Listing ends Broker may send Seller written notice specifying the names of persons whose attention Broker has called to the Property during this Listing. If Seller agrees to sell or lease all or part of the Property during the protection period to a person named in the notice or to a relative or business associate of a person named in the notice, Seller will pay Broker, upon the closing of the sale or upon execution of the lease, the amount Broker would have been entitled to receive if this Listing were still in effect.
- (3) "Person" means any person in any capacity whether an individual or entity. "Sell" means any transfer of any interest in the Property whether by agreement or option.
- (4) This Paragraph 5E survives termination of this Listing.

F. County: All amounts payable to Broker are to be paid in cash in _____ Travis
County, Texas.

G. Escrow Authorization: Seller authorizes, and Broker may so instruct, any escrow or closing agent authorized to close a transaction for the purchase or acquisition of the Property to collect and disburse to Broker all amounts payable to Broker under this Listing.

NOTICE: Under Chapter 62, Texas Property Code, Broker is entitled to claim a lien against the Property to secure payment of an earned commission.

6. **EXCLUSIONS:**

A. Under a prior listing agreement Seller is obligated to pay another Texas licensed broker a fee if Seller sells or leases all or part of the Property before _____ na07/01/2024 to any of the following persons: na
_____ (named exclusions).

B. If Seller enters into a contract to sell or lease all or part of the Property to a named exclusion before the date specified in Paragraph 6A, Seller will not be obligated to pay Broker the fees under Paragraph 5 of this Listing, but Seller will pay Broker, upon the closing of the sale or upon execution of the lease, a fee equal to:

- (1) na % of the sales price if Seller sells the Property;
- (2) na % of all base rents to be paid over the term of the lease if Seller leases the Property and the same percentage of the following items to be paid over the term of the lease: expense reimbursements; na ; and
- (3) _____

C. If Seller enters into a contract to sell or lease all or part of the Property to a named exclusion, Broker will will not assist Seller in negotiating and closing the sale or lease to the named exclusion.

7. **ACCESS TO THE PROPERTY:** Authorizing access to the Property means giving permission to another person to enter the Property, disclosing security codes necessary to enter the Property to such person, and lending a key to the Property to such person. To facilitate the showing and sale of the Property, Seller instructs Broker and Broker's associates to: (i) access the Property at reasonable times; (ii) authorize other brokers, inspectors, appraisers, lenders, engineers, surveyors, and repair persons to enter the Property at reasonable times; and (iii) duplicate keys to facilitate convenient and efficient showings.

(TXR-1301) 07-8-22 Initialed for Identification by Seller _____, _____ and Broker/Associate _____

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Commercial Listing concerning _____

8. COOPERATION WITH OTHER BROKERS: Broker will allow other brokers to show the Property to prospective buyers. If the other broker procures a buyer who purchases the Property, Broker will offer to pay the other broker a portion of Broker's fee under Paragraph 5.

9. INTERMEDIARY: (Check A or B only.)

A. Intermediary Status: Broker may show the Property to interested prospective buyers or tenants who Broker represents. If a prospect who Broker represents offers to buy or lease the Property, Seller authorizes Broker to act as an intermediary and Broker will notify Seller that Broker will service the parties in accordance with one of the following alternatives.

- (1) If a prospect who Broker represents is serviced by an associate other than the associate servicing Seller under this Listing, Broker may notify Seller that Broker will: (a) appoint the associate then servicing Seller to communicate with, carry out instructions of, and provide opinions and advice during negotiations to Seller; and (b) appoint the associate then servicing the prospect to the prospect for the same purpose.
- (2) If a prospect who Broker represents is serviced by the same associate who is servicing Seller, Broker may notify Seller that Broker will: (a) appoint another associate to communicate with, carry out instructions of, and provide opinions and advice during negotiations to the prospect; and (b) appoint the associate servicing the Seller under this Listing to the Seller for the same purpose.
- (3) Broker may notify Seller that Broker will make no appointments as described under this Paragraph 9A and, in such an event, the associate servicing the parties will act solely as Broker's intermediary representative, who may facilitate the transaction but will not render opinions or advice during negotiations to either party.

B. No Intermediary Status: Seller agrees that Broker will not show the Property to prospects who Broker represents.

Notice: If Broker acts as an intermediary under Paragraph 9A, Broker and Broker's associates:

- ◆ may not disclose to the prospect that Seller will accept a price less than the asking price unless otherwise instructed in a separate writing by Seller;
- ◆ may not disclose to Seller that the prospect will pay a price greater than the price submitted in a written offer to Seller unless otherwise instructed in a separate writing by the prospect;
- ◆ may not disclose any confidential information or any information Seller or the prospect specifically instructs Broker in writing not to disclose unless otherwise instructed in a separate writing by the respective party or required to disclose the information by the Real Estate License Act or a court order or if the information materially relates to the condition of the property;
- ◆ may not treat a party to the transaction dishonestly; and
- ◆ may not violate the Real Estate License Act.

10. CONFIDENTIAL INFORMATION: During this Listing or after it ends, Broker may not knowingly disclose information obtained in confidence from Seller except as authorized by Seller or required by law. Broker may not disclose to Seller any information obtained in confidence regarding any other person Broker represents or may have represented except as required by law.

11. BROKER'S AUTHORITY:

A. Broker will use reasonable efforts and act diligently to market the Property for sale, procure a buyer, and negotiate the sale of the Property.

(TXR-1301) 07-8-22 Initialed for Identification by Seller _____, _____ and Broker/Associate _____

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- B. In addition to other authority granted by this Listing, Broker may:
- (1) advertise the Property by means and methods as Broker determines is appropriate in any media, including but not limited to:
 - (a) placing a "For Sale" sign or similar marketing sign on the Property; and
 - (b) creating and placing information about the Property (including interior and exterior photographs or videos):
 - (i) on the Internet on Broker's website and on other websites as Broker determines;
 - (ii) in any advertisements whether in print or electronic media; and
 - (iii) into listing services that may publicize the information on the Internet or by other means;
 - (2) reproduce, display, and distribute information about the Property, including the information described under Paragraph 11B(1), for the purposes of marketing the Property;
 - (3) furnish comparative marketing and sales information about other properties to prospects;
 - (4) disseminate information about the Property to other brokers and prospects, including applicable disclosures, notices, or other information that Seller is required to make under law or a contract;
 - (5) obtain information from any holder of any note secured by a lien on the Property;
 - (6) accept, in trust, any earnest money, option fee, security deposit, or other money related to the purchase or lease of the Property and deliver such money for deposit in accordance with a contract for the sale or lease of the Property;
 - (7) disclose the sales price and terms of a sale or a lease to other brokers, appraisers, other real estate professionals, and any listing services into which information about the Property is placed;
 - (8) place information about this Listing and a transaction for the Property on an electronic platform (an electronic platform is typically an Internet-based system where professionals related to the transaction, such as title companies and lenders, may receive, view, and input information); and
 - (9) advertise that Broker "sold" or "leased" the Property after the closing of a sale or execution of a lease of the Property in which Broker was involved.

NOTICE: Any submission of information to a listing service must be made in accordance with listing service's rules.

- C. Broker is not authorized to execute any document in the name of or on behalf of Seller concerning the Property.
- D. Photographs, videos, and compilations of information submitted to a listing service are the property of the listing service for all purposes.

12. REPRESENTATIONS:

- A. Except as provided otherwise in this Listing, Seller represents that:
- (1) Seller has fee simple title to and peaceable possession of the Property and all its improvements and fixtures thereon, unless rented, and the legal capacity to convey the Property;
 - (2) Seller is not bound by a listing agreement with another broker for the sale, exchange, or lease of the Property that is or will be in effect during this Listing;
 - (3) no person or entity has any right to purchase, lease, or acquire the Property by an option, right of refusal, or other agreement;
 - (4) there are no delinquencies or defaults under any deed of trust, mortgage, or other encumbrance on the Property;
 - (5) the Property is not subject to the jurisdiction of any court;
 - (6) Seller owns sufficient intellectual property rights in any materials which Seller provides to Broker related to the Property (for example, brochures, photographs, drawings, or articles) to permit Broker to reproduce and distribute such materials for the purposes of marketing the Property or for other purposes related to this agreement; and
 - (7) all information relating to the Property Seller provides to Broker is true and correct to the best of Seller's knowledge.

Commercial Listing concerning _____

B. Seller and Broker must disclose any known material defect in the Property to a prospective buyer.
(Check only one box.)

(1) Seller is not aware of any material defects to the Property except as stated in the attached Commercial Property Condition Statement (TXR-1408). Seller authorizes Broker to furnish prospective buyers and other brokers with a copy of the Commercial Property Condition Statement (TXR-1408).

(2) Except as otherwise provided in this Listing, Seller is not aware of:

- (a) any subsurface: structures, pits, wastes, springs, or improvements;
- (b) any pending or threatened litigation, condemnation, or assessment affecting the Property;
- (c) any environmental hazards or conditions that materially affect the Property;
- (d) whether the Property is or has ever been used for the storage or disposal of hazardous materials or toxic waste, a dump site or landfill, or any underground tanks or containers;
- (e) whether radon, asbestos containing materials, urea-formaldehyde foam insulation, lead-based paint, toxic mold (to the extent that it adversely affects the health of ordinary occupants) or other pollutants or contaminants of any nature now exist or have ever existed on the Property;
- (f) any wetlands, as defined by federal or state law or regulation, on the Property;
- (g) any threatened or endangered species or their habitat on the Property;
- (h) any present or past infestation of wood-destroying insects in the Property's improvements;
- (i) any contemplated material changes to the Property or surrounding area that would materially and detrimentally affect the ordinary use of the Property;
- (j) any material physical defects in the improvements on the Property; or
- (k) any condition on the Property that violates any law or ordinance.

(List any exceptions to (a)-(k) in Special Provisions or an addendum.)

C. PID: The Property is in the following Property Improvement District: _____

D. Other Taxing Districts: The Property is in the following special taxing district (MUD, WCID, MMD, etc.): _____

13. SELLER'S ADDITIONAL PROMISES: Seller agrees to:

- A. cooperate with Broker to facilitate the showing and marketing of the Property;
- B. not negotiate with any prospective buyer who may contact Seller directly, but refer all prospective buyers to Broker;
- C. not enter into a listing agreement with another Broker for the sale or exchange of the Property to become effective during this Listing;
- D. not enter into a listing agreement for the lease of all or part of the Property with another broker to become effective during this Listing without Broker's written permission;
- E. provide Broker with copies of the following, if any, relating to the Property: a current rent roll, all leases including any amendments, architectural plans and drawings, renderings, survey, a current operating statement, environmental inspection reports, engineering reports, and other relevant information that Broker may request during this Listing;
- F. advise Broker of any tenants moving in or out of the Property;
- G. complete any disclosures or notices required by law or a contract to sell the Property;
- H. amend any applicable notices and disclosures if any material change occurs during this Listing; and
- I. at Seller's expense, remove from the Property all:
 - (1) "For Sale" (or similarly worded) signs other than Broker's signs;
 - (2) "For Lease" (or similarly worded) signs from the Property unless the Property is listed for lease with another broker; and
 - (3) "For Information" (or similarly worded) signs other than Broker's signs.

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14. LIMITATION OF LIABILITY:

- A. If the Property is or becomes vacant during this Listing, Seller must notify Seller's casualty insurance company and request a "vacancy clause" to cover the Property. Broker is not responsible for the security of the Property nor for inspecting the Property on any periodic basis.
- B. Broker is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by Broker, including but not limited to injuries or losses caused by:
- (1) other brokers, inspectors, appraisers, lenders, contractors, surveyors, engineers, and other persons who are authorized to access the Property;
 - (2) acts of third parties (for example, vandalism or theft);
 - (3) freezing or broken water pipes;
 - (4) a dangerous condition on the Property; and
 - (5) the Property's non-compliance with any law or ordinance.
- C. Seller agrees to indemnify and hold Broker and Broker's associates harmless from any damages, costs, attorney's fees, and expenses:
- (1) that arise from Seller's failure to disclose any material information about the Property;
 - (2) that are caused by Seller giving incorrect information to Broker, other brokers, or prospects;
 - (3) that arise from any claim for misuse of intellectual property in any materials or information that Seller provided to Broker related to the Property or this agreement; or
 - (4) that are otherwise caused by Seller or Seller's negligence.

15. SPECIAL PROVISIONS:

- 16. DEFAULT:** If Seller breaches this Listing, Seller is in default and will be liable to Broker for the amount of Broker's fee specified in Paragraph 5A and any other fees Broker is entitled to receive under this Listing; Broker may also terminate this Listing and exercise any other remedy at law. If a sales price is not determinable in the event of an exchange or breach of this Listing, the Listing Price will be the sales price for the purpose of calculating Broker's fee. If Broker breaches this Listing, Broker is in default and Seller may exercise any remedy at law.
- 17. MEDIATION:** The parties agree to negotiate in good faith in an effort to resolve any dispute that may arise between the parties. If the dispute cannot be resolved by negotiation, the parties will submit the dispute to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the costs of mediation equally.
- 18. ATTORNEY'S FEES:** If Seller or Broker is a prevailing party in any legal proceeding brought as a result of a dispute under this Listing or any transaction related to or contemplated by this Listing, such party may recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

(TXR-1301) 07-8-22 Initialed for Identification by Seller _____, _____ and Broker/Associate _____

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19. ADDENDA: Addenda or information that are part of this Listing are:

- A. Information About Brokerage Services (TXR-2501)
- B. Property Description Exhibit identified in Paragraph 2
- C. Condominium Addendum to Listing (TXR-1401)
- D. Commercial Property Condition Statement (TXR-1408)
- E. Information About On-Site Sewer Facility(TXR-1407)
- F. Information about Special Flood Hazard Areas (TXR-1414)
- G. _____
- H. _____

20. AGREEMENT OF THE PARTIES:

- A. Entire Agreement: This Listing is the entire agreement of the parties and may not be changed except by written agreement.
- B. Assignability: Neither party may assign this Listing without the written consent of the other party.
- C. Binding Effect: Seller's obligations to pay Broker an earned fee is binding upon Seller and Seller's heirs, administrators, executors, successors, and permitted assigns.
- D. Joint and Several: All Sellers executing this Listing are jointly and severally liable for the performance of all its terms.
- E. Governing Law: Texas law governs the interpretation, validity, performance, and enforcement of this Listing.
- F. Severability: If a court finds any clause in this Listing invalid or unenforceable, the remainder of this Listing will not be affected and all other provisions of this Listing will remain valid and enforceable.
- G. Partial Sales or Leases: If Seller sells or leases part of the Property before the date this Listing ends, this Listing will continue for the remaining part of the Property through the term of this Listing.
- H. Notices: Notices between the parties must be in writing and are effective when sent to the receiving party's address, fax, or e-mail specified in Paragraph 1.

21. ADDITIONAL NOTICES:

- A. **Broker's fees or the sharing of fees between brokers are not fixed, controlled, recommended, suggested, or maintained by Texas REALTORS®, its local affiliates, or any listing service. Broker's fees are negotiable.**
- B. **The Property must be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, or familial status. Local ordinances and the National Association of REALTORS® Code of Ethics may provide for additional protected classes (e.g., creed, status as a student, marital status, sexual orientation, or age).**
- C. **If the Property contains a residential dwelling built before 1978, federal law requires the Seller to: (1) provide the buyer with the promulgated lead hazard information pamphlet (TXR-2511); and (2) disclose the presence of any known lead-based paint or lead-based paint hazards.**

D. Broker cannot give legal advice. This is a legally binding agreement. READ IT CAREFULLY. If you do not understand the effect of this Listing, consult your attorney BEFORE signing.

Seller: City Of Kingsville,

Broker:

Broker / Company Name: eXp Realty, LLC

By: _____

License No. 603392

By (signature): _____

By (signature): _____

Printed Name: _____

Printed Name: **Nichole Saenz**

Title: _____ Date: _____

Title: **Listing Agent** License No. **694958**

Date: **07/01/2024**

By: _____

By (signature): _____

Printed Name: _____

Title: _____ Date: _____



NOTICE OF INFORMATION FROM OTHER SOURCES

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To: City Of Kingsville

From: eXp Realty, LLC (Broker)

North Side of 400 Block East Caesar Ave, 9th, Block 24, Lots All and s/2 closed

Property Address: Ragland St, Kingsville, TX 78363

Date: July 8, 2024

(1) Broker obtained the attached information, identified as Square footage, legal description, year built, lot size, tax rate information

from Kleberg CAD website

(2) Broker has relied on the attached information and does not know and has no reason to know that the information is false or inaccurate except: _____

(3) Broker does not warrant or guarantee the accuracy of the attached information. Do not rely on the attached information without verifying its accuracy.

eXp Realty, LLC
Broker

By: _____
Nichole Saenz

Receipt of this notice is acknowledged by:

Signature _____ Date _____
City Of Kingsville

Signature _____ Date _____



INFORMATION ABOUT SPECIAL FLOOD HAZARD AREAS

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North Side of 400 Block East Caesar Ave, 9th, Block 24, Lots All and s/2 closed Ragland St

CONCERNING THE PROPERTY AT

Kingsville, TX 78363

A. FLOOD AREAS:

- (1) The Federal Emergency Management Agency (FEMA) designates areas that have a high risk of flooding as special flood hazard areas.
- (2) A property that is in a special flood hazard area is designated on flood insurance rate maps with a zone beginning in a "V" or "A". Both V-Zone and A-Zone areas indicate a high risk of flooding.
- (3) Some properties may also lie in the "floodway" which is the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge a flood under FEMA rules. Communities must regulate development in these floodways.

B. AVAILABILITY OF FLOOD INSURANCE:

- (1) Generally, flood insurance is available regardless of whether the property is located in or out of a special flood hazard area. Contact your insurance agent to determine if any limitations or restrictions apply to the property in which you are interested.
- (2) FEMA encourages every property owner to purchase flood insurance regardless of whether the property is in a high, moderate, or low risk flood area.
- (3) A homeowner may obtain flood insurance coverage (up to certain limits) through the National Flood Insurance Program. Supplemental coverage is available through private insurance carriers.
- (4) A mortgage lender making a federally related mortgage will require the borrower to maintain flood insurance if the property is in a special flood hazard area.

C. GROUND FLOOR REQUIREMENTS:

- (1) Many homes in special flood hazard areas are built-up or are elevated. In elevated homes the ground floor typically lies below the base flood elevation and the first floor is elevated on piers, columns, posts, or piles. The base flood elevation is the highest level at which a flood is likely to occur as shown on flood insurance rate maps.
- (2) Federal, state, county, and city regulations:
 - (a) restrict the use and construction of any ground floor enclosures in elevated homes that are in special flood hazard areas.
 - (b) may prohibit or restrict the remodeling, rebuilding, and redevelopment of property and improvements in the floodway.
- (3) The first floor of all homes must now be built above the base flood elevation.
 - (a) Older homes may have been built in compliance with applicable regulations at the time of construction and may have first floors that lie below the base flood elevation, but flood insurance rates for such homes may be significant.

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Information about Special Flood Hazard Areas concerning

Kingsville, TX 78363

- (b) It is possible that modifications were made to a ground floor enclosure after a home was first built. The modifications may or may not comply with applicable regulations and may or may not affect flood insurance rates.
- (c) It is important for a buyer to determine if the first floor of a home is elevated at or above the base flood elevation. It is also important for a buyer to determine if the property lies in a floodway.
- (4) Ground floor enclosures that lie below the base flood elevation may be used only for: (i) parking; (ii) storage; and (iii) building access. Plumbing, mechanical, or electrical items in ground floor enclosures that lie below the base flood elevation may be prohibited or restricted and may not be eligible for flood insurance coverage. Additionally:
 - (a) in A-Zones, the ground floor enclosures below the base flood elevation must have flow-through vents or openings that permit the automatic entry and exit of floodwaters:
 - (b) in V-Zones, the ground floor enclosures must have break-away walls, screening, or lattice walls; and
 - (c) in floodways, the remodeling or reconstruction of any improvements may be prohibited or otherwise restricted.

D. COMPLIANCE:

- (1) The above-referenced property may or may not comply with regulations affecting ground floor enclosures below the base flood elevation.
- (2) A property owner's eligibility to purchase or maintain flood insurance, as well as the cost of the flood insurance, is dependent on whether the property complies with the regulations affecting ground floor enclosures.
- (3) A purchaser or property owner may be required to remove or modify a ground floor enclosure that is not in compliance with city or county building requirements or is not entitled to an exemption from such requirements.
- (4) A flood insurance policy maintained by the current property owner does not mean that the property is in compliance with the regulations affecting ground floor enclosures or that the buyer will be able to continue to maintain flood insurance at the same rate.
- (5) Insurance carriers calculate the cost of flood insurance using a rate that is based on the elevation of the lowest floor.
 - (a) If the ground floor lies below the base flood elevation and does not meet federal, state, county, and city requirements, the ground floor will be the lowest floor for the purpose of computing the rate.
 - (b) If the property is in compliance, the first elevated floor will be the lowest floor and the insurance rate will be significantly less than the rate for a property that is not in compliance.
 - (c) If the property lies in a V-Zone the flood insurance rate will be impacted if a ground floor enclosure below the base flood elevation exceeds 299 square feet (even if constructed with break-away walls).

Information about Special Flood Hazard Areas concerning

Kingsville, TX 78363

E. ELEVATION CERTIFICATE:

The elevation certificate is an important tool in determining flood insurance rates. It is used to provide elevation information that is necessary to ensure compliance with floodplain management laws. To determine the proper insurance premium rate, insurers rely on an elevation certificate to certify building elevations at an acceptable level above flood map levels. If available in your area, it is recommended that you obtain an elevation certificate for the property as soon as possible to accurately determine future flood insurance rates.

You are encouraged to: (1) inspect the property for all purposes, including compliance with any ground floor enclosure requirement; (2) review the flood insurance policy (costs and coverage) with your insurance agent; and (3) contact the building permitting authority if you have any questions about building requirements or compliance issues.

Receipt acknowledged by:

Signature Date
City Of Kingsville

Signature Date

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AUTHORIZATION TO FURNISH TILA-RESPA INTEGRATED DISCLOSURES

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To: Lender, Title Company, Escrow Agent, and/or their representatives

RE: North Side of 400 Block East Caesar Ave, 9th, Block 24, Lots All and s/2 closed Ragland St, Kingsville, TX 78363 (Property)

I, City Of Kingsville Seller Buyer, have entered into an exclusive listing/representation agreement with the following Broker:

Name of Broker: eXp Realty, LLC
TREC License Number: 603392
Address: 9600 Great Hills Trail, STE 150 W
City, State, Zip: Austin, TX, 78759
Phone: (361)522-4718 Fax: _____
E-Mail: nichole694958@gmail.com
Name of Broker's authorized agent, if applicable: Nichole Saenz
TREC License Number of Broker's authorized agent, if applicable: 694958

I hereby authorize you to disclose and furnish a copy of any and all loan estimates, closing disclosures or other settlement statements provided in relation to the closing of the real estate transaction involving the Property, to the above-named Broker or Broker's authorized agent.

Signature of Client Date
City Of Kingsville

Signature of Client Date



AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE STATEMENT

TO: Consumer(s)
FROM: eXp Realty
PROPERTY: _____
DATE: _____

This is to give you notice that eXp World Holdings, Inc., the parent corporation of each of those subsidiaries comprising the eXp Realty® brand of real estate brokerage companies¹ (hereinafter collectively referred to as "eXp Realty"), has a business relationship with the following companies listed below:

- **SUCCESS Lending, LLC ("SUCCESS Lending")** for mortgage loan financing: eXp Realty has an indirect ownership interest in SUCCESS Lending and a business relationship with Kind Partners, LLC, a wholly owned subsidiary of Kind Lending, LLC (hereinafter collectively referred to as "Kind"). eXp World Holdings, Inc.'s wholly owned subsidiary, SUCCESS World Holdings, LLC, owns 50% of SUCCESS Lending. Kind also owns 50% of SUCCESS Lending. Because of this relationship, a referral to SUCCESS Lending may provide eXp Realty and Kind, and its and their owners, affiliates, and employees, with a financial or other benefit.
- eXp Realty has a business relationship with, but no ownership interest in, America's Preferred Home Warranty, Inc. (home warranty services), Transactly, Inc. (real estate transaction coordination services), and SkySlope, Inc. (real estate transaction coordination services). Because of these relationships, eXp Realty, and its owners, affiliates, and employees may receive financial or other benefits

Set forth below is the estimated charge or range of charges for the settlement services listed. You are NOT required to use the listed providers as a condition for the settlement of your loan, or purchase, sale, financing or refinance of the subject property. **THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.**

COMPANY	ESTIMATED CHARGE OR RANGE OF CHARGES
<p>SUCCESS LENDING, LLC</p> <p>This company provides various real estate mortgage loan origination activities either as a third-party originator or a mortgage broker, including loan pre-qualification, loan origination, loan pre-approval, loan structuring, processing and closing.</p> <p>The estimated charges for the settlement services provided by SUCCESS Lending are detailed on the</p>	<p>Loan Discount Fee/points¹: 0-4.00% of loan amount Administrative Fee²: \$1,250.00 Flood Fee: \$7.00 Tax Service: \$86.00 Appraisal Fee: \$525.00 Credit Report Fee: \$32.00 per borrower, unless married co-borrowers in which event it is an aggregate total of \$32.00; \$32.00 per borrower for each repulled credit report.</p> <p>Actual charges may vary according to the particular lender, settlement service product selected, the particular circumstances of the underlying transaction, the state where the property is located, borrower elections, etc. Some or all of these fees may be charged by third-parties.</p>

¹ eXp Realty, LLC (in all states except those that follow); eXp Realty of California, Inc. (in California); eXp Realty of Northern California, Inc. (in northern California); eXp Realty of Greater Los Angeles, Inc. (in central California); eXp Realty of Southern California, Inc. (in southern California); eXp Realty North, LLC (in N. Dakota, Minnesota, and portions of New York, except as further qualified); eXp Realty of Connecticut, LLC (in Connecticut, and Brooklyn, New York); and eXp Realty Associates, LLC (in Brooklyn, mid-town, and downtown, New York City).



COMPANY	ESTIMATED CHARGE OR RANGE OF CHARGES
Good Faith Estimate being provided to you by your loan officer.	<p>¹ The loan discount fee/points are affected by the note rate. Depending upon market conditions, the loan discount fee/points may be higher to adjust for below-market rates.</p> <p>² There are other charges imposed in connection with mortgage loans. In addition, a lender may require the use of other service providers, including but not limited to any attorney, credit reporting agency or real estate appraiser chosen to represent the lender's interest. If you apply to any of these companies for a loan, you will receive additional information regarding anticipated charges.</p>

ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURE

I/we have read this disclosure form, and understand that eXp Realty is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

Consumer 1:

Signature

Print Name

Date

Consumer 2:

Signature

Print Name

Date

(For Colorado Residents Only): This form has not been approved by the Colorado Real Estate Commission.

**THE TEXAS REAL ESTATE COMMISSION (TREC) REGULATES
REAL ESTATE BROKERS AND SALES AGENTS, REAL ESTATE INSPECTORS,
HOME WARRANTY COMPANIES, EASEMENT AND RIGHT-OF-WAY AGENTS,
AND TIMESHARE INTEREST PROVIDERS**

**YOU CAN FIND MORE INFORMATION AND
CHECK THE STATUS OF A LICENSE HOLDER AT**

WWW.TREC.TEXAS.GOV

**YOU CAN SEND A COMPLAINT AGAINST A LICENSE HOLDER TO TREC
A COMPLAINT FORM IS AVAILABLE ON THE TREC WEBSITE**

**TREC ADMINISTERS THE REAL ESTATE RECOVERY TRUST ACCOUNT WHICH MAY BE USED
TO SATISFY A CIVIL COURT JUDGMENT AGAINST A BROKER, SALES AGENT, OR
EASEMENT OR RIGHT-OF-WAY AGENT, IF CERTAIN REQUIREMENTS ARE MET.**

**REAL ESTATE INSPECTORS ARE REQUIRED TO MAINTAIN ERRORS AND OMISSIONS
INSURANCE TO COVER LOSSES ARISING FROM THE PERFORMANCE OF A REAL ESTATE
INSPECTION IN A NEGLIGENT OR INCOMPETENT MANNER.**

**PLEASE NOTE: INSPECTORS MAY LIMIT LIABILITY THROUGH PROVISIONS IN THE CONTRACT
OR INSPECTION AGREEMENT BETWEEN THE INSPECTOR AND THEIR CLIENTS. PLEASE BE
SURE TO READ ANY CONTRACT OR AGREEMENT CAREFULLY. IF YOU DO NOT UNDERSTAND
ANY TERMS OR PROVISIONS, CONSULT AN ATTORNEY.**

**IF YOU HAVE QUESTIONS OR ISSUES ABOUT THE ACTIVITIES OF
A LICENSE HOLDER, THE COMPLAINT PROCESS, OR THE
RECOVERY FUNDS, PLEASE VISIT THE WEBSITE OR CONTACT TREC AT**



TEXAS REAL ESTATE COMMISSION

P.O. BOX 12188

AUSTIN, TEXAS 78711-2188

(512) 936-3000

**CN 1-5
TXR 2503**



GENERAL INFORMATION AND NOTICE TO BUYERS AND SELLERS

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Be an informed seller or buyer. The following information may assist you during your real estate transaction.

ANNEXATION. If a property is outside the limits of a municipality, the buyer should be aware that the property may later be annexed by a nearby municipality. The buyer may find information on the boundaries of nearby municipalities by contacting the municipalities directly.

APPRAISAL. An appraisal is a valuation of the property. An appraiser renders an estimate of value as of a certain date under assumptions and conditions stated in the appraisal report. Typically, a buyer's lender requires an appraisal to verify that the loan is secured by property that is worth a certain amount. An appraisal is not the same as an inspection.

BROKERS. A real estate broker *represents* a party (buyer or seller) in a real estate transaction or may act as an intermediary between the parties. A party may work with the broker or with one of the broker's agents. Both a buyer and seller will be provided a form titled "Information About Brokerage Services" (TXR 2501) which defines agency relationships. An agent may help a seller market the property or help a buyer locate a property. The agent is obligated to *negotiate* the transaction and may assist in gathering information and may coordinate many details in the transaction. Brokers and agents are not inspectors. They do not possess the expertise to conduct inspections and therefore do not make any representations, warranties, or guarantees about a property's condition. Agents are not attorneys. Parties are encouraged to seek the assistance of an attorney to help in understanding any of the legal consequences and provisions of the contract or transaction.

ENVIRONMENTAL CONCERNS.

General. Over the years the market has identified environmental conditions that buyers should know may exist. Environmental hazards include, but are not limited to, conditions such as: asbestos, lead-based paint, mold, pesticides, radon gas, toxic waste, underground storage tanks, urea-formaldehyde insulation, and other pollutants. Wetlands or endangered species on the property may restrict the use of the property.

Environmental Inspections. If the buyer is concerned that environmental hazards, wetlands, or endangered species may be present on the property, the buyer should hire a qualified expert to inspect the property for such items. The parties may include a promulgated addendum (TXR 1917) in the contract that may address such matters.

Lead-Based Paint. If a property was built before 1978, federal law requires that the seller provide the buyer with: (1) the pamphlet titled "Protect Your Family from Lead in Your Home" (TXR 2511); (2) the records and reports the seller has concerning lead-based paint or hazards; and (3) an opportunity to have the property inspected for lead-based paint or hazards.

Mold. It is not uncommon to find mold spores in a property. The concern about mold increases when there are large amounts of mold found in a property. The Texas Department of Insurance publishes a document titled "Protect Your Home from Mold" (TXR 2507) which discusses mold in more detail.

Oak Wilt and Diseased Trees. There are diseases such as oak wilt and other conditions that may affect trees and other plants. Oak wilt is a fungus that affects certain oak trees. If the buyer is concerned about such matters, the buyer may have the trees and other plants inspected by a professional.

Noise. Surrounding properties are used for a variety of purposes. Some of the uses cause noise (for example, airports, railways, highways, restaurants, bars, schools, arenas and construction). The buyer is encouraged to drive to review the area around the property at various times and days.

EXPANSIVE SOILS. Soil conditions vary greatly throughout Texas. Many soils will move; some more than others. This movement will, many times, affect the foundation of homes and buildings and may cause cracks to appear in walls or other parts of the building. Additionally, if a property is newly constructed, the concrete curing process may also cause the foundation of the building to move. Seasonal changes in the moisture in the soil may also cause foundations to move. The buyer should check with an inspector and other experts on preventive methods to minimize the risk of such movement.

FIRPTA. The Foreign Investment in Real Property Tax Act of 1980 (FIRPTA) may require buyers in certain transactions involving a seller who qualifies as a "foreign person" to withhold up to 15% of the amount realized by the seller (usually the sales price) for federal taxes. A "foreign person" is defined as a: (1) nonresident alien individual; (2) foreign corporation that has not made an election under section 897(i) of the Internal Revenue Code to be treated as a domestic corporation; or (3) foreign partnership, trust, or estate. The definition does not include a resident alien individual. A seller should notify the buyer whether the seller is a "foreign person" as defined by federal law. If the seller is unsure whether he or she qualifies as a "foreign person", the seller should consult a tax professional or an attorney.

FLOOD HAZARD, FLOODWAYS, AND FLOOD INSURANCE. Many properties are in flood hazard areas. Lenders who make loans on properties located in special flood hazard areas typically require the owner to maintain flood insurance. Additionally, some properties may lie in the floodway. Texas REALTORS® publishes a form titled, "Information about Special Flood Hazard Areas" (TXR 1414), which discusses flood hazard areas and floodways in more detail. The buyer is encouraged to buy flood insurance regardless of whether the property is in a high, moderate, or low risk flood area.

HISTORIC OR CONSERVATION DISTRICTS. Properties located in historic or conservation districts may have restrictions on use and architecture of the properties. Local governments may create historic or conservation districts for the preservation of certain architectural appeal. A property owner may or may not be aware if the property is located in such a district. If the buyer is concerned whether the property is located in such a district, contact the local government for specific information.

INSPECTION, REPAIRS, & WALK-THROUGH.

Inspections. The buyer is encouraged to have the property inspected by licensed inspectors. The buyer should have the inspections completed during any option period. The buyer should accompany the inspectors during the inspections and ask the inspectors any questions. Brokers and agents do not possess any special skills, knowledge or expertise concerning inspections or repairs. If the buyer requests names of inspectors or repair professionals from an agent, the buyer should note that the agent is not making any representation or warranty as to the ability or workmanship of the inspector or repair professionals.

Repairs. The buyer and the seller should resolve, in writing, any obligation and any timing of the obligation to complete repairs the buyer may request before the option period expires.

Walk-Through. Before the close of the sale, the buyer should walk through the property and verify that any repairs are complete. If the condition of the property does not satisfy the contractual provisions, the buyer should notify the buyer's agent before closing.

MANDATORY OWNERS' ASSOCIATIONS. An owners' association may require a property owner to be a member. The buyer may obtain subdivision information (the restrictions applying to the subdivision, the bylaws and rules of the owners' association, and a resale certificate). The buyer may be required to pay for the subdivision information unless otherwise negotiated in the contract. If membership in an owners' association is required, the buyer will probably be obligated to pay periodic dues or assessments. Failure to pay such dues could result in a lien on and foreclosure of the property.

MINERAL INTERESTS. Determining who owns the mineral interests under a property (for example, rights to oil and gas interests) normally requires an expert to review the chain of title to the property. Many times the mineral interests may have been severed from the property and may be owned by persons other than the seller. Contract forms commonly used in Texas provide that the seller's interest, if any, in the mineral interests convey to the buyer as part of the property. However, a seller may wish to retain all or part of the mineral interests. Texas REALTORS® publishes a form titled "Information about Mineral Clauses in Contract Forms" (TXR 2509) which discusses this issue in more detail.

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MULTIPLE LISTING SERVICE. The Multiple Listing Service (MLS) is a database and cooperative tool between brokers. Agents who use the MLS must comply with the MLS's rules. The listing agent is required to timely report the current status of a listing, including when the property is sold or leased or is no longer available, as well as the sales price. Subscribers (other brokers, agents, appraisers, and other real estate professionals) and appraisal districts have access to the information for market evaluation purposes. Much of the information in the MLS, such as square footage, assessed value, taxes, school boundaries, and year built is obtained from different sources such as the county appraisal district, an appraiser, or builder. The broker or agent who provides information from the MLS does not verify the accuracy of the information. The buyer should independently verify the information in the MLS and not rely on the information.

PERMITS. Permits may be required to construct, alter, repair, or improve the property. The buyer is encouraged to contact the local government to verify that all required permits have been obtained, as this may impact future plans for the property.

POSSESSION. Most contracts provide that the seller will deliver possession of the property to the buyer at the time the sale closes and funds or according to a temporary residential lease or other written lease required by the parties. There may be a short delay between closing and actual funding; especially if the buyer is obtaining funds from a lender. The buyer may need to verify with the lender if the loan will fund on the day of closing. The buyer should also take this potential delay into account when planning the move into the property. Any possession by the buyer before the sale closes and funds (or by the seller after the sale closes and funds) must be authorized by a written lease.

PROPERTY INSURANCE. Promptly after entering into a contract to buy a property and before any option period expires, the buyer should contact an insurance agent to determine the availability and affordability of insurance for the property. There are numerous variables that an insurance company will evaluate when offering insurance at certain coverage levels and at certain prices. Most lenders require that the property be insured in an amount not less than the loan amount. The failure to obtain property insurance before closing may delay the transaction or cause it to end. Texas REALTORS® publishes a document titled, "Information about Property Insurance for a Buyer or Seller" (TXR 2508), which discusses property insurance in more detail.

PROPERTY VALUES. The real estate market is cyclical and current property values may fluctuate. Brokers and agents cannot guarantee desired future market conditions or property values. The ultimate decision on the price and terms a Buyer is willing to buy and a Seller is willing to sell for a specific property rests solely with that Buyer and Seller.

RESIDENTIAL SERVICE CONTRACTS. A residential service contract is a product under which a residential service company, for an annual fee, agrees to repair or replace certain equipment or items in a property (for example, covered appliances, air conditioning and heating systems, and plumbing systems). Co-payments typically apply to most service calls. If the buyer requests names of residential service companies from an agent, the buyer should note that the agent is not making any representation or warranty about the service company.

RESTRICTIONS ON PROPERTY NEAR AN INTERNATIONAL BORDER. Be aware that in certain counties located near an international border, Texas law may prohibit the sale of property lacking required water and sewer services. Even if a sale of such property is permitted, a buyer may face additional costs or restrictions under Texas law due to a lack of basic infrastructure (water, sewer, roads, and drainage). Texas REALTORS® publishes a form titled, "Information Regarding Property Near an International Border" (TXR 2519), which provides more information. Brokers and agents cannot guarantee that a sale of the property is permitted under Texas law or otherwise give legal advice. Consult an attorney.

SCHOOL BOUNDARIES. School boundaries may change and are, at times, difficult to determine. The school boundaries that an agent may provide or that may be provided through a Multiple Listing Service are only mapped estimates from other sources. The buyer is encouraged to verify with the school district which schools residents in the property will attend.

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SEPTIC TANKS AND ON-SITE SEWER FACILITIES. Many properties have septic tanks or other on-site sewer facilities. There are several types of such systems. Special maintenance requirements may apply to certain systems. Please refer to a document titled, "Information about On-Site Sewer Facility" (TXR 1407) for more information. The buyer should also determine if the county requires any registration or other action to begin using the septic system or on-site sewer facility.

SEX OFFENDERS AND CRIMINAL ACTIVITY. Neither a seller nor a seller's agent of a residential property has a duty to disclose any information about registered sex offenders. If the buyer is concerned about sex offenders who may reside in the area, access <https://publicsite.dps.texas.gov/SexOffenderRegistry>. Contact the local police department to obtain information about any criminal activity in the area.

SQUARE FOOTAGE. If the purchase price is based on the size of the property's building and structures, the buyer should have any information the buyer receives about the square footage independently verified. Square footage information comes from other sources such as appraisal districts, appraisers, and builders. Such information is only an estimate. The actual square footage may vary.

STATUTORY TAX DISTRICTS. The property may be located in a utility or other statutorily created district providing water, sewer, drainage, or flood control facilities and services (for example a Municipal Utility District, Water Improvement District, or a Public Improvement District). The buyer is likely to receive a prescribed notice when buying property in such a district.

SURVEILLANCE. Be aware that when viewing a property, a seller might record or otherwise electronically monitor a buyer without the buyer's knowledge or consent, and a buyer might photograph or otherwise record the property without the seller's knowledge or consent. The parties should consult an attorney before recording or photographing another person or property.

SURVEY. A survey identifies the location of boundaries, major improvements, fence lines, drives, encroachments, easements, and other items on the property. The buyer should obtain a survey early enough in the transaction to help the buyer identify any encroachments, encumbrances to title, or restrictions. The contract will typically contain a provision which identifies who is responsible for providing a survey and the right to object to encumbrances to title disclosed in the survey.

SYNTHETIC STUCCO. Synthetic stucco (sometimes known as EIFS) is an exterior siding product that was placed on some properties in the recent past. If the product was not properly installed, it has been known to cause damage to the structure (such as wood rot and moisture). If the property has synthetic stucco, the buyer should ask an inspector to carefully inspect the siding and answer any questions.

TAX PRORATIONS. Typically, a buyer and seller agree to prorate a property's taxes through the closing date. Property taxes are due and payable at the end of each calendar year. The escrow agent will estimate, at closing, the taxes for the current year. If the seller is qualified for tax exemptions (for example, homestead, agricultural, or over-65 exemption), such exemptions may or may not apply after closing. After closing the taxes may increase because the exemptions may no longer apply. When buying new construction, the taxes at closing may be prorated based on the land value only and will later increase when the appraisal district includes the value of the new improvements. The actual taxes due, therefore, at the end of the year and in subsequent years may be different from the estimates used at closing.

TERMINATION OPTION. Most contract forms contain an option clause which provides the buyer with an unrestricted right to terminate the contract. Most buyers choose to buy the termination option. The buyer will be required to pay for the termination option in advance. The option fee is negotiable. Most buyers will conduct many of their reviews, inspections, and other due diligence during the option period. The buyer must strictly comply with the time period under the option. The option period is not suspended or extended if the buyer and the seller negotiate repairs or an amendment. If the buyer wants to extend the option period, the buyer must negotiate an extension separately, obtain the extension in writing, and pay an additional fee for the extension. The buyer should not rely on any oral extensions.

TIDE WATERS. If the property adjoins any of the state's tidal waters, the seller will provide the buyer with a prescribed notice titled, "Addendum for Coastal Area Notice" (TXR 1915). Boundaries of properties along such waters may change and building restrictions will apply. If the property is located seaward of the Gulf Intracoastal Waterway, the seller will provide the buyer with a prescribed notice titled, "Addendum for Property Located Seaward of the Gulf Intracoastal Waterway" (TXR 1916).

TITLE INSURANCE OR ABSTRACT OF TITLE. The buyer should obtain a title insurance policy or have an abstract of title covering the property examined by an attorney. If the buyer obtains a title insurance policy, the buyer should have the commitment of title insurance reviewed by an attorney not later than the time required under the contract.

UTILITIES. The buyer should evaluate what utilities the buyer will require and check to be sure that the utilities available in the area suit the buyer's needs. Some structures may or may not have utilities and electrical facilities to support many modern appliances or equipment.

WATER LEVEL FLUCTUATIONS. State law requires the seller to notify a buyer of a property that adjoins a lake, reservoir, or other impoundment of water with a storage capacity of at least 5,000 acre-feet at its normal operating level that the water level may fluctuate. The buyer and seller can find a list of lakes and reservoirs with at least 5,000 acre-feet storage capacity by accessing <http://texasalmanac.com/topics/environment/lakes-and-reservoirs>.

WATER WELLS. If the property has a water well, the buyer should have, and the lender may require, the equipment inspected and water tested. The buyer should also determine if the county requires any registration or other action to begin using the water well.

WIRE FRAUD. Criminals are targeting real estate transactions by gaining access to electronic communications or sending emails that appear to be from a real estate agent, a title company, lender, or another trusted source. Refrain from transmitting personal information, such as bank account numbers or other financial information, via unsecured email or other electronic communication. If the buyer receives any electronic communication regarding wiring instructions, even if the communication appears to come from a legitimate source, the buyer should verify its authenticity prior to the transfer of funds in person or via phone call using a recognized phone number that is not found in the communication.

OTHER.

This form was provided by:

By signing below I acknowledge that I received, read, and understand this information and notice.

eXp Realty, LLC

Broker's Printed Name

Seller
City Of Kingsville Date

By: _____
Broker's Associate's Signature Date
Nichole Saenz

Seller Date



INFORMATION ABOUT MINERAL CLAUSES IN CONTRACT FORMS

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This form contains general information about mineral estates in published contract forms.

1. INTRODUCTION: Historically, buyers and sellers of property near urban areas have not been concerned about the conveyance or retention of mineral interests. Mineral interests for such properties may have been severed in the past or the value of the mineral interests may have been relatively insignificant. There has historically been little risk that the owner of the mineral interests under property near urban areas could or would access the surface of the property to drill or excavate for minerals (perhaps, because the property was too small to support such activity or because such activity may have been heavily regulated by a city). In recent years, the discovery of large mineral deposits near urban areas and advances in drilling technologies have led to increased exploration and drilling activities in and near urban areas. In turn, buyers and sellers of property in urban and suburban areas have raised questions as to whether it is best to convey or retain all or part of the mineral interests in a particular sale.

2. WHO OWNS THE MINERALS? Owners of property in or near urban areas typically are not aware of the precise extent of the mineral interests they may own. One may own all or only a portion of the mineral interests. Further, the mineral interests may have been leased. Determining who owns the mineral interests, whether the mineral interests have been leased, and who holds rights under any leases requires an expert (such as an oil and gas attorney) to review the chain of title and formulate an informed opinion.

3. CONTRACT FORMS: The residential contract forms promulgated by the Texas Real Estate Commission and the commercial contract forms published by Texas REALTORS® provide that the seller will convey to the buyer all of the seller's rights associated with the property, including all mineral interests and any rights held under any mineral leases by the seller. If a seller wishes to reserve all or a part of the mineral interests and rights held by the seller in a residential transaction, the seller *must* use the Texas Real Estate Commission's *Addendum for Reservation of Oil, Gas, And Other Minerals* (TREC No. 44-2, TXR No. 1905). If the addendum is not attached to the sales contract, the seller conveys to the buyer all of the mineral interests and rights held by the seller at the time of the transaction. In a farm & ranch transaction, the seller may use the TREC promulgated form, but may also use any addendum prepared by an attorney or by either party.

4. RESOURCES: One may find information related to mineral estates and mineral leases through many sources, including but not limited to: (a) the Real Estate Research Center (www.recenter.tamu.edu); and (b) the Railroad Commission of Texas (www.rrc.texas.gov). There are many other useful sources that one can access via the Internet through most Internet search engines.

The undersigned acknowledge receipt of this notice.

Printed Name: City Of Kingsville

Printed Name: _____

Date

Date



INFORMATION ABOUT PROPERTY INSURANCE FOR A BUYER OR SELLER

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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A. The availability and the affordability of property insurance may affect both the buyer and the seller.

Typically a buyer will seek to insure the property. Most mortgage lenders require that the property be insured in an amount not less than the loan amount. The failure to obtain property insurance at or before closing may delay the transaction or cause it to end, either of which can impose both inconvenience and cost to both the buyer and the seller.

B. There are a number of factors that affect the availability and affordability of insurance.

- (1) The level of coverage will significantly affect the cost of insurance. There are several levels of insurance coverage. For example:
 - (a) a policy may cover the replacement cost of the improvements and the replacement cost of many personal items in the property in the event of most casualties;
 - (b) a policy may cover only value of the improvements and exclude many casualties; or
 - (c) a policy may cover casualties and costs between the two noted extremes under (a) and (b).
- (2) Coverage levels and prices vary from company to company. There are many insurance companies conducting business in Texas who offer a variety of insurance products at various prices.
 - (a) One insurance company may refuse to insure a particular property or person while another insurance company may elect to do so.
 - (b) One insurance company may charge a significantly lower premium than another insurance company for the same or similar coverage.
 - (c) Generally, each insurance company has specific guidelines by which it prices its insurance policies. The following are examples of criteria that an insurance company may use in evaluating an application for insurance. The criteria vary from company to company.
 - (1) Past claims filed against the property to be insured in the 5 years preceding the application.
 - (2) Past claims filed by the applicant to be insured in the 5 years preceding the application.
 - (3) The applicant's insurance credit score.
 - (4) The past relationship between the insurance company and the applicant.
 - (5) The physical characteristics of the property such as condition, age, location, or construction materials.

C. Most insurance companies participate in the Comprehensive Loss Underwriting Exchange (CLUE) and obtain a CLUE report to evaluate the claims history of the property and the applicant.

- (1) Most insurance companies contribute information about claims to an insurance industry database known as CLUE (a registered trademark of Equifax, Inc.). An insurance company obtains a CLUE report when evaluating an application for insurance.
- (2) A CLUE report contains information about the claims history of the property and of the applicant for insurance.
 - (a) The CLUE report contains only data and does not inform the buyer or seller whether insurance is or is not available or at what cost.
 - (b) Insurance companies use the CLUE report in different ways.
 - (c) It is best to speak with an insurance agent with respect to how the information in a particular CLUE report affects the affordability and availability of insurance.

Information about Property Insurance for a Buyer or Seller

- (3) While CLUE reports are generally accurate, there may be errors in the reports.
 - (a) An event may be listed as a claim even though the insurance company did not pay any proceeds (for example, the cost of repair did not exceed the deductible or an inquiry may be incorrectly classified as a claim).
 - (b) Federal law permits a person to challenge inaccurate information. One may contact the administrator of the CLUE report (Lexis-Nexis) to correct information in a CLUE report.
- (4) A property owner may, for a fee, obtain the CLUE report on his or her property through companies such as Lexis-Nexis (<https://personalreports.lexisnexis.com>, 1-866-312-9076), A-Plus (800-709-8842) or other companies, most of whose services are accessible via the Internet. An owner may also contact the Equifax Insurance Consumer Center at 800-456-6004.

D. Promptly after entering into a contract to buy a property in Texas, the buyer should take the following steps to avoid delays in closing and to avoid additional costs.

If the buyer has the option to terminate the contract, the buyer should make sure that the buyer and the insurance agent have completed the following steps before the option expires.

- (1) Contact one or more insurance agents.
 - (a) The buyer should discuss the various levels of coverage with an insurance agent and ask questions that are necessary so the buyer understands the levels of available coverage.
 - (b) Insurance agents can provide applicants with written summaries of the various coverage levels.
 - (c) Basic summaries are available at the websites noted in Paragraph E.
 - (2) **Submit an application** for insurance with the insurance agent of the buyer's choice.
 - (a) Applying for insurance promptly after entering into a contract to buy a property helps avoid surprises or delays in closing the transaction.
 - (b) Prompt application permits the buyer time to evaluate various coverage levels and prices.
 - (c) Delaying the application for insurance may limit opportunities to obtain the most suitable coverage and may limit opportunities to address any unforeseen problems or delays in obtaining coverage.
 - (d) In recent years, many transactions have been delayed or terminated because of problems associated with obtaining insurance.
 - (3) Ask for written confirmation from the insurance agent that the insurance company:
 - (a) has received the application;
 - (b) has reviewed the applicant's CLUE report; and
 - (c) has conducted all necessary reviews to issue a policy at the particular price quoted (some insurance companies may ask for specific information or may wish to inspect the property).
 - (4) Verify that the insurance coverage the buyer chooses is acceptable to the buyer's lender.
- E. If one is not able to obtain insurance at a reasonable price or more information is needed, contact the Texas Department of Insurance (www.helpinsure.com or www.tdi.state.tx.us).**

Receipt acknowledged by:

Signature
City Of Kingsville

Signature

(TXR-2508) 2-1-14

Page 2 of 2



Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- A **BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- A **SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

EXP Realty, LLC	603392	tx.broker@exprealty.com	(888)519-7431-
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
Karen Richards	508111	tx.broker@exprealty.com	(888)519-7431
Designated Broker of Firm	License No.	Email	Phone
Karen Richards	508111	tx.broker@exprealty.com	(888)519-7431
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
Nichole Saenz	694958	nichole694958@gmail.com	(361)522-4718
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials

Date

Regulated by the Texas Real Estate Commission

Information available at www.trec.texas.gov

TXR-2501

IABS 1-0 Date

eXp Realty, LLC, 9600 Great Hills Trail, STE 150 W Austin TX 78759

Phone: 3615224718

Fax

City Of Kingsville

Nichole Saenz

Produced with Lone Wolf Transactions (zipForm Edition) 717 N Harwood St, Suite 2200, Dallas, TX 75201 www.lwolf.com



Wiring Fraud Advisory Notice

Cybercrime is a potential threat in real estate transactions. Instances have occurred where criminals have hacked email accounts of entities related to real estate transactions (such as lawyers, escrow holder's, title company representatives, or real estate brokers and agents). Using email, hackers have invaded real estate transactions and used fraudulent wiring instructions to direct parties to wire funds to the criminals' bank accounts, often to off-shore accounts, with little chance of recovery. It also appears that some hackers have provided false phone numbers for verifying the wiring instructions. In those cases, the buyers called the number provided to confirm the instructions, and then unwittingly authorized a transfer to somewhere other than escrow. Sellers also have had their sales proceeds taken through similar schemes.

PLEASE BE ADVISED THAT eXp Realty, WILL NEVER SEND VIA EMAIL WIRING INSTRUCTIONS RELATED TO YOUR TRANSACTION.

BUYERS/LESSEES AND SELLERS/LESSORS ARE ALSO ADVISED:

1. Obtain the phone number of the Escrow Officer at the beginning of the transaction.
2. NEVER WIRE FUNDS PRIOR TO CALLING YOUR ESCROW OFFICER TO CONFIRM WIRE INSTRUCTIONS. ONLY USE A PHONE NUMBER YOU WERE PROVIDED PREVIOUSLY. Do not use any different phone number included in the emailed wire transfer instructions.
3. Orally confirm the wire transfer instruction is legitimate and confirm the bank routing number, account numbers and other codes before taking steps to transfer the funds.
4. Avoid sending personal information in emails or texts. Provide such information in person or over the telephone directly to the Escrow Officer.
5. Take steps to secure the system you are using with your email account. These steps include creating strong passwords and using secure WiFi as well as two-step verification processes.

If an email or a telephone call seems suspicious refrain from taking any action until the communication has been independently verified. Promptly notify your bank, your real estate agent and the Escrow Officer. The sources below, as well as others, can also provide information:

- The Federal Bureau of Investigation www.fbi.gov
- The National White-Collar Crime Center www.nw3c.org
- On Guard Online: www.onguardonline.gov

The undersigned acknowledge receipt of this Advisory.

Date: _____ Seller/Landlord: _____

Date: _____ Seller/Landlord: _____

Date: _____ Buyer/Tenant: _____

Date: _____ Buyer/Tenant: _____

(For Colorado Residents Only): This form has not been approved by the Colorado Real Estate Commission.



WIRE FRAUD WARNING

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS®, INC. IS NOT AUTHORIZED.
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Buyers and Sellers Beware: Criminals are targeting real estate transactions. Don't be a victim of wire fraud.

What is wire fraud and how does it occur? Criminals are targeting real estate transactions by gaining access to electronic communications or sending emails that appear to be from a real estate agent, a title company, a lender, or another trusted source. These fraudulent emails seem legitimate and direct you to wire funds to a fraudulent account. Once you wire funds to the fraudulent account, your money is gone.

How can you protect yourself from wire fraud? You should not send personal information, such as bank account numbers or other financial information, via email or other unsecured electronic communication.

If you receive any electronic communication regarding wiring instructions, even if the communication appears to come from a legitimate source, you should verify the communication's authenticity prior to the transfer of funds in person or via phone call using a recognized phone number that is not found in the communication.

Notice: This brokerage will never use any electronic communications, such as email, text messages, or social media messages, to ask you to wire funds or provide personal information.

If you think you are being targeted in a wire fraud scam, immediately notify law enforcement, your lender, the title company, and your agent.

This form was provided by:

By signing below I acknowledge that I received, read, and understand this information and notice.

EXP Realty, LLC

Broker's Printed Name

Seller Buyer
City Of Kingsville

Date

By:

Broker's Associate's Signature
Nichole Saenz

Date

Seller Buyer

Date

AGENDA ITEM #14

City of Kingsville
Human Resource Department

TO: Mayor and City Commissioners
CC: Mark McLaughlin, City Manager
FROM: Diana Gonzales, Human Resource Director
DATE: July 12, 2024
SUBJECT: Policy 890.12 Mother-Friendly Policy

Summary & Background: This policy establishes a “Mother-Friendly” employee worksite breastfeeding support program at the City of Kingsville (City) in accordance with Texas Government Code Chapter 619 and Texas Health and Safety Code Chapter 165. The program provides a work environment that is supportive of lactating employees in accordance with federal and state law. The benefits of the program include increased attendance due to less time lost, reduced turnover, and increased morale.

This policy is to ensure that supervisors and employees are supportive of employees’ needs relating to integrating breastfeeding with the employee’s work environment.

Financial Impact: None

Recommendation: To consider the resolution to officially document what the City has already been practicing and establish a policy of being a Mother-Friendly employer.



RESOLUTION NO. 2024-_____

A RESOLUTION ADOPTING THE CITY OF KINGSVILLE ADMINISTRATIVE POLICY NO.890.12 - MOTHER-FRIENDLY POLICY.

WHEREAS, the City Commission previously adopted an administrative policy handbook for employees on August 28, 2006 and that handbook is now being proposed for amendment; and

WHEREAS, this policy establishes a “Mother-Friendly” employee worksite breastfeeding support program at the City of Kingsville (City) in accordance with Texas Government Code Chapter 619 and Texas Health and Safety Code Chapter 165; and

WHEREAS, the program provides a work environment that is supportive of lactating employees in accordance with federal and state law; and

WHEREAS, the benefits of the program include increased attendance due to less time lost, reduced turnover because of a mother opting not to return to work to breastfeed, and increased morale; and

WHEREAS, this policy is to ensure that supervisors and employees are supportive of employees’ needs relating to integrating breastfeeding with the employee’s work environment.

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

I.

THAT Policy No. 890.12-Friendly-Mother Policy, attached as Exhibit A, is hereby approved;

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 22nd day of July, 2024.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

POLICY NO. 890.12 MOTHER FRIENDLY POLICY

Statement of Purpose

This policy establishes a "Mother-Friendly" employee worksite breastfeeding support program at the City of Kingsville (City) in accordance with Texas Government Code Chapter 619 and Texas Health and Safety Code Chapter 165. The program provides a work environment that is supportive of lactating employees in accordance with federal and state law. The benefits of the program include increased attendance due to less time lost, reduced turnover, and increased morale.

Health Rationale

The American Academy of Pediatrics (AAP) affirms the benefits of breastfeeding for the health of newborns during their development.

Culture of Tolerance

The City encourages employees and management to have a positive, accepting attitude toward lactating employees. The City promotes and supports breastfeeding and the expression of breastmilk by employees who are breastfeeding when they return to work. The City provides access to information to all employees about the benefits of breastfeeding and the City's policy supporting an employee's choice to breastfeed.

This policy is to ensure that supervisors and employees are supportive of employees' needs relating to integrating breastfeeding with the employee's work environment.

Policy Dissemination

The City will disseminate the **Mother Friendly Policy** to every incoming and current employee.

Supervisors are responsible for alerting pregnant and breastfeeding employees about this policy prior to, and upon return from, an employee's period of leave for the reason of childbirth.

Supervisor Responsibility

It is the supervisor's responsibility to provide support and information to the employee desiring to express milk at work and to notify Human Resources. This support includes providing necessary break times and appropriate spaces for expressing breast milk. The supervisor sets the tone for an environment of support that enables mothers to feel comfortable and confident using lactation services.

Employee Responsibility

Employees who wish to express their milk during the workday shall keep supervisors informed of their needs so that appropriate arrangements can be made to satisfy the needs of both the employee and the City.

Program Components

Time

The City will provide flexible scheduling to covered employees to accommodate a reasonable amount of break time for an employee to express breast milk each time the employee has need to express the milk. Employees are considered covered employees for a period of one year following the birth of a child. Supervisors shall grant covered employees a break from duties to express breast milk each time the

employee has need to express the milk. Covered employees may use a combination of any paid break periods, lunch periods, and other requested unpaid break times, as necessary. Supervisors will collaborate with employees to schedule these breaks on a case-by-case basis to accommodate the milk-expression needs of the employee.

Education

Educational support will be provided by the City's Human Resources Department and will include providing educational information about breastfeeding and returning to work to employees at the initiation of or upon return from maternity leave.

Space

The City shall provide a place, other than a bathroom, that is shielded from view and free from intrusion from other employees and the public where the employee can express breast milk.

When dedicated space is not feasible or available, the City will provide a mixed-use space for covered employees. In this situation, covered employees will have priority over all other business uses of the space. Provided space will be a reasonable distance to a source of clean, safe water and a sink, shielded from view, and free from intrusion from other employees and the public, with suitable seating.

There are additional options for nursing mothers to express milk, including the employee's own office, if it is private and has a lock, or the office of a coworker or supervisor, a conference room, or other small private area that has a lock, is free from intrusion, and not in use.

Storage

If a City refrigerator is utilized for storage of expressed milk, the employee's bottles or closed containers should be clearly labeled with the employee's name. Storage in a City refrigerator is limited to no longer than the end of the business day when it is expressed. Should employer-provided facilities not be available, an employee may store milk in their own personal cooler.

Employees storing milk in the City refrigerator assume all responsibility for the safety of the milk and the risk of harm for any reason, including improper storage, refrigeration, and tampering.

Construction and Interpretation

Employees who have questions concerning the interpretation of application of this should be directed to the Human Resource Department.

Non-Discrimination

The City shall not discriminate in any way against an employee who chooses to express breast milk in the workplace. Encouraging or allowing a work environment that is hostile to the right of breastfeeding employees to take leave for the purpose of expressing breast milk is strictly forbidden, and any employee violating this provision will be subject to disciplinary action, up to and including termination of employment.

Exception/Change

This policy supersedes all previous policies covering the same or similar topic. Only the Human Resource Director or the City Manager may grant any exception to this policy. This policy may be reviewed and changed at any time.

AGENDA ITEM #15

City of Kingsville
Human Resource Department

TO: Mayor and City Commissioners

CC: Mark McLaughlin, City Manager

FROM: Diana Gonzales, Human Resource Director

DATE: July 12, 2024

SUBJECT: Policy 830.00 Substance Abuse Policy

Summary: The City recognizes the problem of substance abuse (including illegal drugs and misuse of alcohol, prescription drugs and over-the-counter drugs) in our society. If unchecked in the workplace, this problem could adversely affect both the productivity and effectiveness of our business and the professional, personal and family lives of our employees. The City will strive to balance respect for individual privacy with the need to keep a safe and productive work environment; however, the City is committed to and will aggressively pursue the goal of this policy. The City **INTENDS TO MAINTAIN A SUBSTANCE ABUSE-FREE WORKPLACE**. With that basic goal in mind, the City establishes this policy with regard to use, possession, and sale of alcohol and drugs.

Background: The last revision to the Substance Abuse Policy was approved by City of Kingsville City Commission on September 23, 2019, and became effective on October 1, 2019. Wording has been updated throughout the policy for clarification as to illegal drugs, alcohol, prescription over-the-counter drugs and substance testing.

Financial Impact: No additional costs. Program costs are included in the HR's department budget.

Recommendation: To consider the resolution to update existing Substance Abuse Policy #830.00.



RESOLUTION NO. 2024-_____

A RESOLUTION AMENDING THE CITY OF KINGSVILLE ADMINISTRATIVE POLICIES AND PROCEDURES MANUAL, POLICY 830.00- SUBSTANCE ABUSE POLICY.

WHEREAS, the City Commission previously adopted an administrative policy handbook for employees on August 28, 2006 and it is now being proposed that Policy No. 830.00-Substance Abuse Policy be amended to update wording for clarification as to illegal drugs, alcohol, prescription over-the-counter drugs, and substance testing;

WHEREAS, the City recognizes the problem of substance abuse (including illegal drugs and misuse of alcohol, prescription drugs and over-the-counter drugs) in our society, which if unchecked in the workplace, could adversely affect both the productivity and effectiveness of our business and the professional, personal and family lives of our employees;

WHEREAS, the last revision to the Substance Abuse Policy was approved by City of Kingsville City Commission on September 23, 2019, and became effective on October 1, 2019;

WHEREAS, the requested change does not impact the City financially;

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

I.

THAT Policy No. 830.00-Substance Abuse Policy, attached as Exhibit A, is hereby approved;

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 and the Policy shall become effective on and after adoption.

PASSED AND APPROVED by a majority vote of the City Commission on the 22nd day of July, 2024.

Sam R. Fugate, Mayor

ATTEST:

Mary Valenzuela, City Secretary

APPROVED AS TO FORM:

Courtney Alvarez, City Attorney

POLICY NO. 830.00 SUBSTANCE ABUSE POLICY

Purpose

The City recognizes the problem of substance abuse (including illegal drugs and misuse of alcohol, prescription drugs and over-the-counter drugs) in our society. If unchecked in the workplace, this problem could adversely affect both the productivity and effectiveness of our business and the professional, personal and family lives of our employees. The City will strive to balance respect for individual privacy with the need to keep a safe and productive work environment; however, the City is committed to and will aggressively pursue the goal of this policy. The City **INTENDS TO MAINTAIN A SUBSTANCE ABUSE-FREE WORKPLACE**. With that basic goal in mind, the City ~~established~~ establishes this policy with regards to use, possession, and sale of alcohol and drugs.

Prohibited Conduct

Illegal Drugs.

This policy prohibits any Employee from bringing onto City premises or property, having possession of, being under the influence of, ~~possessing in the Employee's body, blood or urine in amounts exceeding predetermined cut-off levels,~~ or using, consuming, transferring, selling or attempting to sell or transfer, any form of illegal drug while on City business or at any time during the hours between the beginning and ending of the Employee's work day, whether on duty or not, and whether on City property or not. This policy further prohibits employees from having levels exceeding the applicable cut-off threshold for a positive result for illegal drugs in a specimen submitted for drug testing under this policy.

For purposes of this policy, an "illegal drug" is any drug (a) which is not legally obtainable; (b) which may be legally obtainable obtained but has not been legally obtained by the Employee; (c) which may be legally obtained but contains a substance that would trigger a positive result on a test drug administered under this policy; or (d) which is being used in a manner or for a purpose other than as prescribed for the Employee. Employees are responsible for the presence of illegal drugs in a positive test result whether or not the employee intended to ingest a prohibited substance and whether or not the employee believed he or she was ingesting a legal substance.

Alcohol

This policy prohibits any Employee from being under the influence of alcohol while on City business or at any time during the hours between the beginning and ending of the Employee's work-day/workday, whether on City property or not. For the purposes of this policy, an employee is considered under the influence of alcohol if there is credible evidence that the employee is exhibiting signs of alcohol intoxication or if the employee registers a blood alcohol concentration of .04 or higher on an alcohol test.

This policy also prohibits any Employee from bringing alcohol onto City premises or property or using, consuming, transferring, selling or attempting to sell or transfer alcohol while on City business or at any time during the hours between the beginning and ending of the Employee's work-day/workday, whether on City property or not, except as specifically authorized by the City.

Prescription and Over-the-Counter Drugs

This policy prohibits any Employee from abusing prescription medications or over-the-counter drugs while on City business or at any time during the hours between the beginning and ending of the Employee's work-day/workday, whether on duty or not, and whether on City property or not.

For purposes of this policy, "prescription or over-the-counter drug abuse" means taking medications that were prescribed for someone else; using prescription drugs or over-the-counter drugs for a purpose other than for which they were prescribed or manufactured, or other than in accordance with the doctor's instructions or recommended dosages.

Employees are expected to consult with their physicians regarding the effect of medications prescribed for them and to consult any package warnings for over-the-counter drugs. When an Employee is taking a prescription or over-the-counter drug that can or will have an effect on the Employee's normal mental and/or physical state or interfere with work such as operating vehicles, machinery, equipment, etc., the Employee must inform his or her immediate supervisor- ~~to ascertain if~~ who will determine whether the employee is able to perform their-his or her job functions.

Substance Screening Testing

The City shall require individuals to undergo drug or alcohol ~~screening~~ testing under the following circumstances:

1. Applicant Testing.

The City shall require any job applicant who has received a conditional offer of employment to undergo a drug and/or alcohol test as a condition of commencement of employment. If the job applicant refuses to undergo substance testing or has a confirmed positive test result, the conditional offer of employment will be withdrawn, and the individual will not be hired.

2. Reasonable Suspicion Testing.

The City shall require any Employee to undergo drug and/or alcohol testing if it has a reasonable suspicion that the Employee is using or has used drugs or alcohol in violation of this policy.

By way of example only, a "reasonable suspicion" for purposes of this policy may be based upon such circumstances as physical symptoms or manifestations of being under the influence of drugs or alcohol or; direct observation of drug or alcohol use while at work or on duty; a reliable, credible and independently corroborated report of drug or alcohol use while at work or on duty; evidence that an individual has tampered with a drug or alcohol test during his or her employment with the City; or evidence that the Employee is involved in the use, possession, sale, solicitation or transfer of drugs while on duty or while on City premises or operating the City's vehicles, machinery or equipment.

3. Post-Accident Testing.

~~When operating City vehicles and/or mobile equipment the City shall require an Employee to undergo drug and/or alcohol testing when involved in an incident in which injury and/or property damage occurs. Any accident in which a City Employee is operating a personal vehicle on City business, regardless of whether reasonable suspicion exists, will require a post-accident alcohol and drug test.~~ Any employee involved in or contributing to an on-the-job accident or incident causing injury to the employee or to another person or to property under circumstances that suggest possible use or influence of drugs or alcohol in the incident may be required to submit to a drug and/or alcohol test.

4. Random Testing.

Employees in positions requiring the performance of City safety-sensitive functions and employees in positions requiring a commercial driver's license are subject to random testing. The selection of employees for random controlled substance and alcohol testing will be made by a scientifically valid method. Under the selection process, each employee will have an equal chance of being tested each time selections are made and the City will not have the discretion to waive the selection of any Employee.

Safety sensitive positions involve job duties which, if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure, may result in mistakes that could present a real and/or imminent threat to the personal health and safety of the employee, co-workers, and/or the public. ~~These job duties include~~ including, but are not limited to: driving vehicles requiring a commercial driver license; operating machinery (i.e. heavy equipment, hazardous tools, etc.); maintenance of vehicles and equipment; transporting people; carrying a weapon in performance of essential job functions; insuring the direct safety and protection of others and property, such as functions performed by lifeguards, police officers, firefighters, etc.).

Safety-sensitive positions subject to random testing under this policy shall be evaluated annually by the Human Resource Department.

5. Return-to-Duty and Follow-Up Testing.

The City shall require any Employee to undergo drug and/or alcohol testing without prior notice following a prior confirmed positive test. The City is not obligated to reinstate or rehire any employee who violates this policy. Should the City decide to reinstate, the individual will require evaluation by a Substance Abuse Professional (SAP) or qualified program and be subject to follow-up testing at the employee's expense.

6. Scheduled, Periodic Testing.

The City shall require any Employee to undergo drug and/or alcohol testing as part of a routinely scheduled fitness-for-duty medical exam to the extent such an exam is regularly conducted on the Employee. Also, Employee's shall be required to

undergo drug and/or alcohol testing which is routinely scheduled for all members of the Employee's classification or group. ~~The City shall schedule random drug and/or alcohol testing of its Employee pools. The City shall follow applicable federal regulations for employees required to possess commercial driver's licenses. Commercial drivers will have a designated classification classified for U.S. Department of Transportation (DOT) drug testing purposes and for the City to maintain required documentation. The City will also include commercial drivers (DOT pool) in the City's Employee pools for random testing purposes.~~

Substance Screening Testing Methods

Initial tests for alcohol will ~~almost always be through~~ conducted primarily using breath or saliva samples (blood samples may be used in limited situations). Initial tests for drugs will ~~almost always be through~~ be conducted primarily using urinalysis (blood samples may be used in limited situations).

If an applicant or Employee has a confirmed positive drug test result, the individual may explain the test results in confidence to the Medical Review Officer. An applicant or Employee who has received a positive drug test result may also request a retest of the same specimen in order to challenge the results of a positive test; however, the individual shall pay all costs of the retest, unless the retest reverses the findings of the challenged positive test, in which case the City shall reimburse the individual for the costs of the retest.

All samples will be collected in a manner that is designed to protect, to the fullest extent possible, the individual privacy of Employees. Employees will not be subject to direct observation while rendering urine samples; however, if there is a valid suspicion that the Employee has tampered with a sample, preventive measures will be employed. If an Employee provides a sample that contains confirmed evidence of any form of tampering or substitution, this shall constitute a refusal to be tested and the Employee shall be subject to discipline in accordance with this policy.

All records and results pertaining to substance screening shall be maintained by the City as "Confidential" in the same manner as medical records. Any applicant or Employee who wishes to obtain information or records related to their individual drug or alcohol test may, however, have access to those records upon written request to the Human Resources Department.

Employee Notification of Criminal Drug Conviction or License Suspension

In accordance with the federal Drug-free Workplace Act, any Employee who is convicted of a violation of a criminal drug statute involving an on-duty or off-duty incident must notify the City within five days of conviction. Also, any employee whose driver's license is suspended must notify the City within five (5) days of receiving notice of suspension.

Employee Education and Assistance Program

In an effort to help Employees understand the issues surrounding substance abuse, the City has established an ongoing education program. This program includes information about the dangers of substance abuse, the City's Substance Abuse Policy, information about treatment services available and the penalties for violation of the Substance Abuse Policy.

The City also provides drug and alcohol dependency evaluation and referral services for substance abuse counseling, treatment and rehabilitation as part of an Employee Assistance Program. Employees are encouraged to seek assistance through this program, ~~and~~ An Employee's decision to seek assistance from the Employee Assistance Program will not be used as the basis for disciplinary action prior to administering an alcohol or drug test which produces a positive result or other violation of this Policy. ~~On the other hand~~ Conversely, using the Employee Assistance Program will not be considered a defense to imposition of disciplinary action ~~when the City becomes aware in the event~~ of a positive drug test or other violation of this Policy outside of the Employee Assistance Program.

Depending on the circumstances, the City may suspend the imposition of disciplinary action subject to an Employee's successful participation and completion in an alcohol or drug dependency treatment or rehabilitation program, but such suspension of disciplinary action shall be in the sole discretion of the City. No Employee shall be able to avoid disciplinary action for violation of this Policy if employee does not meet the standards of job performance established for their position even if the individual's lack of performance is due to alcoholism or drug dependency.

Consequences of Failure to Comply with this Policy

Any applicant who has been made a conditional offer of employment and who refuses to undergo substance testing or who has a confirmed positive result shall not be hired by the City. Any Employee who violates any provision of this Policy shall be subject to discipline up to and including discharge from employment, even for the first offense. This shall include any use, possession or sale of illegal drugs as prohibited by this Policy; any use or abuse of alcohol as prohibited by this Policy; and any prescription or over-the-counter drug abuse as prohibited by this Policy.

If a person is separated for violations of this policy, the individual may apply for rehire after completion of a treatment program. An Employee rehired after violation of this policy will be subject to an individual schedule of random testing as determined by the treatment program for two years. If the Employee tests positive in a follow-up test the Employee will be terminated. This (mandatory termination provision) shall also include any refusal to submit to an alcohol or a drug test required by the City as outlined and in compliance with this Policy or any delay in submitting to such a test when requested.

The City of Kingsville shall does not tolerate any use of non-prescribed drugs or alcohol. If an employee reports comes to work under the influence of drugs or alcohol or uses drugs or alcohol while on City business or at any time during the hours between the beginning and ending of the Employee's work day, whether on City property or not, disciplinary action will be taken up to and including termination of employment.

All decisions, determinations, or findings by the City regarding enforcement or administration of this policy shall not be subject to review by the TEAM Review Process or appeal to the civil service commission.

Compliance with Applicable Law

To the extent any portion of this Policy is determined to be contrary to the requirements of any applicable federal or state statutes, rules or regulations, it is the intent of the City to conduct its program prohibiting alcohol and drug abuse in the workplace and any alcohol or substance screening in connection therewith in accordance with those legal guidelines, and the City shall do so even if this Policy has not been modified to address such inconsistencies.

Responsibility for Administration

This Policy shall be uniformly administered to insure fairness to all Employees of the City. The Human Resource Department is responsible for administering this Policy. This responsibility includes: (1) communicating the Policy to all Employees; (2) disseminating drug and alcohol awareness information and making information regarding the Employee Assistance Program available to all Employees; (3) providing appropriate training to Department Directory personnel; and (4) administering this Policy fairly and consistently throughout the City. The City will provide advisory and technical assistance and is responsible for insuring uniform administration of the Policy throughout the City.

Approved: August 28, 2006
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Resolution #
Effective Date: October 1, 2019

AGENDA ITEM #16

AGENDA ITEM #17