

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, JULY 22, 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
 Juan J. Adame, Fire Chief
 Janine Reyes, Tourism Director
 Joseph Ramirez, Engineer's Assistant
 Mike Mora, Capital Improvements Manager

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 – June 10, 2024

Motion made by Commissioner Lopez to approve the minutes of June 10, 2024 as presented, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

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 and 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 staff is currently working on the budget. Certified Appraisal Values should be received on July 25, 2024. TML Annual registration will take place on Tuesday, July 23, 2024.

Ms. Courtney Alvarez, City Attorney reported that the next regular City Commission meeting is scheduled for August 12, 2024, with a deadline for staff to submit items for the upcoming meeting by August 1, 2024. Ms. Alvarez further announced dates for the upcoming budget workshops.

Commissioner Hinojosa asked when the commission could expect the proposed budget for FY 24-25. Staff responded that what is being waited on is the Certified Appraisal Values that will be received on July 25, 2024.

Commissioner Alvarez commented that staff needs to make changes to the policy regarding weather emergencies as some employees were not happy about the city closure due to Hurricane Beryl and having to take vacation or sick leave for that day. She further stated that maybe two weather days could be considered.

Mr. McLaughlin stated that it was the choice of the employee of what type of leave they would like to use for that Monday when city offices were closed. Employees who had to work on that day will get compensated in the form of a day or hours off.

Commissioner Hinojosa commented that the emergency policy needs to be reviewed and may be modified. Mr. McLaughlin responded that staff would look into the policy. Commissioner Hinojosa then asked if the employees who had to work would be compensated monetarily or in the form of some time off. Mr. McLaughlin responded in the form of time off.

Commissioner Lopez commented that she wanted to remind everyone that school will begin on Monday.

Mayor Fugate presented a proclamation to Mr. Noah Resendez.

IV. Public Comment on Agenda Items.³

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

Ms. Kathleen Stewart, 410 E. Ailsie commented that what brought her to Kingsville was the possible purchase of Flato School. She further stated that she is concerned as to how it is currently being treated. She stated that having done realtor and deed research in the past she found a deed from the Kingsville Land and Investment Company from 1924. Within this deed there are three conditions. The first condition states that the further consideration and condition is that the property hereby conveyed shall be used for school purposes only. The further consideration and condition is that said school shall be named and known as the Charles H Flato School and the further consideration and condition is that the grantee shall not destroy nor attempt to destroy two certain anaqua trees now growing on the premises hereby conveyed and exercise due diligence to preserve and protect said trees. She further stated that all the trees have been taken down around the Flato School. She further stated that she is sure that they didn't go back as far as to find this deed when they do deed research for title transfers. They tend to go back about sixty years, and they figure they got it all. She stated that the problem is when you have a deed, it runs with the land. She stated that they excluded the reversionary interest, the Kingsville Land and Investment Company. She stated that what this means is that should the three conditions not be met, property reverts. She stated that this would now be to the heirs of the Kingsville Land and Investment Company. She stated that her concern is that if we are not going to abide by deeds, then no one is bound by deeds.

Mrs. Ann Marie Torres, 434 W. Sage Road commented that she would like to make a comment about agenda item 8, "Consider final passage of an ordinance amending the City of Kingsville Code of Ordinances Section 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." She further stated that she was glad that it was meant to be for her to be here as well, as the lady before her made comments which she agreed to as well. Mrs. Torres commented that if an ordinance is going to be made on one section and one thing for one person or one development or one organization then all ordinances need to be looked at. It is not just about sidewalks, carports, fences, driveways, or streets, it's everything regarding the private property home of the individuals. Mrs. Torres stated that this is one of the reasons she came forward to make a comment on that section. She stated that if it could be amended or wanted to amend it, to not just include the sidewalks as the sidewalk is one intricate part of a private owner's property that includes everything and is connected to one another. She further stated that it should not just be for because so and so came up and said well, this and that and that. She further stated that if this is going to run across the board, it needs to run across the board for everyone.

Mrs. Mary Valenzuela, City Secretary read a public comment received from Emma Huff, 2801 S. Brahma Blvd. The comment read as follows: "The city of Kingsville should invest funds into a beautification project to improve our environment and the livelihoods of our citizens. This would require city efforts and volunteer events for planting more native trees/shrubs/flowers. The city can coordinate with local nurseries. Investing time and funds

into this project would also positively impact tourism and might encourage folks to stick around. People are happier when they live in a clean and beautiful home, and when applied to a city it is the same idea with just the simple act of planting trees. There are many varieties of palm trees, oak trees, tropical flowering trees (Crepe Myrtle, royal poinciana & jacaranda), fruiting trees (citrus, figs, mulberries), flowering bushes (oleanders, Texas sage) that we can plant next to highways, in parks, around neighborhoods, etc. Thank you for your time.

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 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).

Mr. John Blair, Police Chief stated that the Kingsville Police Department seeks approval for a budget amendment to replace the Police Department's SWAT Teams Ballistic Body Armor. This update is crucial for maintaining the safety and operational efficiency of the tactical unit. 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 at \$3,126 each. This cost includes a new carrier, rifle plates, and pouches.

Introduction item.

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).

Chief Blair commented that this item would allow the Kingsville Police Department to enter into a Memorandum of Understanding (MOU) with the Regional Organized Crime Information Center (ROCIC). This partnership is critical for enhancing the department's capabilities in various complex criminal investigations. This is a strategic initiative aimed at enhancing the investigative capabilities and overall efficiency. There is no financial impact on the city.

Motion made by Commissioner Alvarez 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 Regional Organized Crime Information Center

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

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).

Chief Blair commented that this item is for authorization to apply to 1PointFive to be considered for their First Responder Donation Program. 1PointFive is committed to support First Responders in the communities where they establish operations. The program offers funding opportunities for Fire Departments, emergency medical services, and law enforcement agencies. This funding can be used for essential emergency response equipment, repair of existing emergency response equipment, replacement of outdated or damaged rescue and safety gear, and first responder safety training programs. Securing this funding will allow both Fire and Police to enhance response capabilities with up-to-date equipment, improve safety and efficiency in emergencies, provide advanced training to first responders, ensure they are prepared for a wide range of scenarios, and continue delivering high-quality service to our citizens and visitors. No cash match funds required in order to apply for this grant.

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

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).

Mr. Erik Spitzer, Director of Planning and Development Services stated that on January 29, 2024, it was asked that the City Planner and City Engineer to examine the existing city 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 nor make sense if the existing sidewalk infrastructure. He further stated that the following additional language is proposed for said ordinance; 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."

Commissioner Hinojosa asked how this information would be relayed to the property owner or contractor. Mr. Spitzer stated that a predevelopment meeting will take place with both the property owner and general contractor on all requirements. A second meeting will then occur with staff and the general contractor.

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

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).

Mrs. Deborah Balli, Finance Director stated that the Investment Policy was submitted for certification to the Government Treasures of Texas 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 the policy was certified, with a recommendation of one update on page 15.

Commissioner Hinojosa asked that one commissioner is a member of the Investment Committee if training is required for that commissioner. Mrs. Balli responded no.

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

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).

Mrs. Balli stated that it is required to establish the budget for CO Series 2024 for the Fire Department. Included in this bond sale are the ladder truck, fire engine, medic unit, SCUBA equipment, and the new Fire Station No. 3.

Introduction item.

11. Consider authorizing use and reallocation of ARP Funds for water meter project. (Purchasing Manager).

Mr. Charlie Sosa, Purchasing Manager stated that the city 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 the replacement of curb stop valves and meter re-adjustments were needed and done but were not part of the contract. Additional funds are being requested for work done by the contractor and for the additional meters and associated parts needed to keep it in stock. The additional funding being requested is \$618,800.

Motion made by Commissioner Alvarez to authorize use and reallocation of ARP Funds for water meter project, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojsa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".

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).

Introduction item.

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).

Mr. Sosa stated that staff was authorized to negotiate with a Multiple Listing Service (MLS) Broker Service. Staff contacted MLS Brokers locally and recommended MLS Broker EXP Realty LLC. This has no financial impact until the property is sold.

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

14. Consider a resolution adopting the City of Kingsville Administrative Policies and Procedures Manual Policy 890.12 – Mother-Friendly Policy. (Human Resources Director).

Mrs. Diana Gonzales, Human Resources Director stated that this policy establishes a "Mother-Friendly" employee worksite breastfeeding support program at the City of Kingsville 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 laws. 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. This policy has no financial impact on the city.

Motion made by Commissioner Lopez to approve the resolution adopting the City of Kingsville Administrative Policies and Procedures Manual Policy 890.12 – Mother-Friendly Policy, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarco, Fugate voting "FOR".

15. Consider a resolution amending the City of Kingsville Administrative Policies and Procedures Manual, Policy 830.00-Substance Abuse Policy. (Human Resources Director).

Mrs. Gonzales stated that the last revision to the Substance Abuse Policy was approved by the city commission on September 23, 2019, and became effective on October 1, 2019. The wording has been updated throughout the policy for clarification as to illegal drugs, alcohol, prescription over-the-counter drugs, and substance testing. There is no financial impact on the city. Program costs are included in the Human Resources budget.

Motion made by Commissioner Hinojosa to approve the resolution amending the City of Kingsville Administrative Policies and Procedures Manual, Policy 830.00-Substance Abuse Policy, seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

16. Workshop: discussion on potential fee changes for city services. (City Manager).

A PowerPoint Presentation on potential fee changes was made to the City Commission. Mr. McLaughlin stated that fees that will be discussed are those that have not been able to keep pace with inflation, the cost of doing business, or any other services that should have a fee. The list of fees that the department has brought forth for discussion are as follows: Grady Study Water and Sewer Rates, Public Works Water and Sewer Taps, Landfill Tire Fee, Street Maintenance Fee, Ball Field Rental Fee with Lights, Park Shelter Rental with electricity, Golf Course Fees, Planning Department Fees, Police Department Fees, Stormwater Drainage Fee, and Utility Billing Fees. The fee that is not included in this presentation is the garbage fee. One fee that is not included at this time is the garbage service fee. This is due to residential versus commercial service and how often the service is done, which is a complicated algorithm to go through. Water rates were originally adopted when the city started charging for water service. The last time the city adjusted the water rates was in 2021, based on the Grady Study. Water fees brought in \$4,972,935 for FY 22-23. For FY 23-24, it is estimated at \$5,145,802. Fiscal year 24-25 proposed revenues with new fees have a proposed 15% increase in rates which equals approximately \$3.93 a month for a residential customer with 5,000 gallons of water usage per month. The new proposed fee will bring in revenues of \$5,917,672.00. As per the rate study, the current residential monthly fee for 5,000 gallons is \$26.20, and a new fee is being proposed to be \$30.13 per month. The reason for the increase is due to the Capital Improvement Plan. In fiscal year 2025, it is estimated project cost of \$2,250,000.00, and the proposed for 2026 fiscal year is \$6 million, and for the year 2027, \$2,074,893.00. This is to achieve the payment obligation on that debt service. Mr. McLaughlin commented that these are fees for water that are being proposed based on Grady's 15% increase.

Commissioner Hinojosa asked if the new water meter increases were implemented in this presentation. Mr. McLaughlin responded yes. McLaughlin further stated that when Grady looked at these numbers it had been estimated that 6% to 8% would be an increase in the water revenues coming in. The recommendation from Grady has already been factored into the new water meters. Commissioner Hinojosa asked if staff knew the actual amount versus just knowing the percentage amount. Mr. McLaughlin responded that he could compare ten months from last year to the ten months this year, old meters versus new meters, and he would be able to provide an exact number of what it is.

Commissioner Alvarez commented that with the new waters, she thought that the customer would see an increase in their monthly bill because the new water meters are functioning as they should be versus the old meters were not calculating water usage properly. With the new water meter increases, does the city still need more? Mr. McLaughlin responded yes, as the city does not have anything in the budget or the bond capacity to cover a future \$10.7 million to cover water well rehabs to get done.

Commissioner Lopez asked what the 5000-gallon usage was for a household, and how many people. Mrs. Deborah Balli, Finance Director responded that it would be an average for a family of four.

Mr. McLaughlin further discussed the sewer rates. The last time the city adjusted the sewer rates was in 2021. The reason the fee is being proposed for an increase is that the cost of providing services increases every year. The proposed increase is 13% which equals an increase of \$3.76 per month for a residential customer with 5,000 gallons of wastewater usage. The current monthly fee is \$28.90 per month for a proposed increase in total of \$32.66 per month. The total projected revenue with the increase would be \$5,668,080.00. As per the Rate Study by Grady Reed, the combined water and wastewater rate increases result in a 13% increase for a residential customer with 5,000 gallons of water & wastewater usage. For Commercial customers 50,000 gallons of usage, the current average bill is \$196 per month and proposed to be \$284 per month. The current average wastewater bill is \$270 per month with it being proposed for an increase to \$230 per month.

Ms. Alvarez commented that with no rate increase in the past three years, it becomes problematic as the cost for the city to provide those services increases every year, therefore a lot of places go up 2% to 3% every year so there is less catch up that needs to be done.

Commissioner Alarcon asked what the increase was three years ago. Mr. McLaughlin responded that it was an 8% increase.

Commissioner Lopez commented that she recalls that the city was told they would have to deal with this at some point every year.

Ms. Alvarez commented that during a Land Use Conference she attended last year, one speaker stated that a person's largest utility bill would eventually be the water bill.

Mayor Fugate commented that these problems will not go away, they will only get worse and more expensive, so the city needs to do something now. Nobody wants to raise these rates, but it needs to be done.

Ms. Alvarez commented that the public works director has stated that his crew needs assistance with these issues so that these do not become TCEQ violations which could be very expensive to the city.

Commissioner Hinojosa asked where you cap this and when do you set a cap on it.

Mayor Fugate responded that there is no cap as these are issues that need to be addressed. Fugate commented that problems are not only in our city, but these are also problems that every city in Texas has as well.

Mr. Bill Donnell, Public Works Director, presented the proposed water tap fee. He stated that the proposed increase is to offset the cost of materials used for service taps. The fee was originally adopted in 1985 and was last changed in 2017. Revenues the fee assessment received for FY 23-24 was \$6,653 for 12 taps at \$553 each. The cost of the services the fee covers is \$10,068.36. The reason for the proposed increase is that brass material and meter prices have increased, and the fee currently does not cover the cost of materials required for the service. Sewer tap fees, the purpose for the fee is to offset the cost of materials used for service taps. This fee was originally adopted in 1981 and was last changed in 2002. Revenues for the fee assessment received in FY23-24 were \$1,800.00. The cost of the services the fees cover is \$3,900. The reason the fee is proposed for an increase is due to material prices increasing and the fee currently does not cover the cost of materials required for the service. The landfill tire fee was originally adopted in 1992 and was last changed in 2011. The reason the fee is proposed for an increase is that the contractor tire disposal prices have increased. It was stated that some landfills don't take agricultural tires.

Mr. Mike Mora, Capital Improvements Manager presented the Street Maintenance Fee. This fee was adopted in 2015 and was last changed in 2021 when it was increased by \$1.00. During the last 3 years, cost increased for major materials, equipment, and labor ranged from 17.6% to 62.7%. The cost of the services fee is expected to cover added street improvement and maintenance projects and the completion of concrete coating of downtown E. Kleberg Ave., from 8th Street to 11th Street. The reason for the proposed increase is to cover costs for completing additional street projects and for handling the increased costs of material, equipment, and labor experienced over the last few years. The proposed increase for FY 24-25 is \$1.00 to \$4.00 monthly for residential and 20% monthly for non-residential.

Mrs. Susan Ivy, Parks Director spoke about proposed fees for the ball field rental fee with lights and park shelter rental with electricity. The purpose for the proposed fee is to collect a fee to cover the usage of lights when practicing or playing on a baseball, softball or soccer athletic field. The original fee for field rental is \$10.00 with lights is \$15.00. Is it requesting that it be raised to \$10.00 rental and \$25.00 with lights. These shelters have not been rented and are used on a first come first serve basis. There are electric poles for a charge of \$15.00 for four hours and they have to get the shelter before anyone else to have both for a party. It is being requested to pair the shelter and electric together to rent for \$25.00 deposit and \$40.00 for a four-hour rental with \$10.00 for each additional hour. This is anticipated to bring in an additional \$5,000 to \$7,000 providing the option for a reserved shelter. Mrs. Ivy further discussed the fees for the Golf Course. It is proposed to increase the fees in membership fees, cart fees, and green fees.

Mr. Erik Spitzer, Director of Planning & Development Services, gave the presentation on planning fees. The purpose of the new residential construction permit fee is to ensure that the application complies with city ordinances and is filled out completely with all required information. The fee will cover the staff's time it takes to review the application and confirm all the applicable ordinances are being met. The new proposed fee is \$35. Four other cities similar to our city size charge similar rates. The next fee that was looked at was the new residential construction swimming pool permit and review fee. The purpose of the fee is to ensure the plan complies with city ordinances. The reason the fee is proposed for an increase is as the current fee does not cover staff's time it takes to review the application and confirm all the applicable ordinances are met. Currently \$10 per pool and new review fee of \$25 plus \$.30 sq/ft. The new fence construction/repair permit and review fee. This

fee is to ensure that the plan complies with city ordinances. The current fee does not cover staff's time it takes to review the application, confirm all the applicable ordinances and inspect the property. New driveway construction permit and review fee. This fee ensures the plan complies with city ordinances. The reason for the increase in this fee is that the current fee does not cover staff's time it takes to review the application, confirm all the applicable ordinances and inspect the property. The current fee is \$15 driveway cutout plus \$10 a lot. Staff adds \$25 new fee for a total of \$50 for this permit. Re-inspection fees are also being proposed for an increase. This fee is collected when the first inspection does not pass. The reason the fee is proposed for an increase is that currently not covering staff's time it takes to re-inspect the property. The low fee encourages customers to use us as their punch list. More than 50% of our inspections require a re-inspection for not making the original corrections. Currently the fee is \$50, and it is being proposed that a 2nd re-inspection fee of \$100 and a 3rd re-inspection fee of \$150. The residential remodel permit application fee is to ensure the remodel plan complies with city ordinances. This fee is proposed for an increase to cover the staff's time it takes to review the application, confirm all the applicable ordinances and inspect the property. The current fee is a \$100 flat fee and it is being proposed to add an additional \$25 review fee plus \$0.30 sq/ft to account for large projects and be in line with other similar sized cities. The residential re-roof plan review and permit application fee is to ensure re-roof application complies with city ordinances and has a WPI-1 as part of the submission to account for windstorm requirements. Due to the cost of inflation plus alignment with other similar sized cities, this fee is being proposed for an increase. Currently the fee is \$.06 sq/ft and it is proposed to increase to \$.08 sq/ft. The next fee is the permit renewal/extension fee. This fee is to grant an existing work when it was not completed on time. This proposed fee is also similar to cities our size. The new fee being proposed is \$75. The commercial permit application fee is used to ensure application complies with city ordinances and contains all required information. The new fee being proposed is \$100 for a commercial permit application. Signs/Billboards plan review and permit application fee. This fee is to ensure plans submitted are IAW city ordinances. The reason the fee is being proposed for an increase is, the current fee does not cover the staff's time it takes to review the application, confirm all the applicable ordinances and inspect the property. The current fee is \$15 plus \$0.20 sq/ft and propose changing plan review to \$25 plus \$0.20 sq/ft. Certificate of Occupancy application fee. This fee is to ensure the safety and the intended use of a new or existing business with a new or existing structure. The reason for a fee increase is to cover staff's time it takes to review the application, confirm all applicable ordinances and inspect the property. Currently the fee is \$25 plus \$15 and it is being proposed for an increase to a flat \$75. Commercial construction alteration and repair plan review and permit application fee. This fee is to ensure plans submitted are IAW city ordinances. The reason for an increase to this fee is to cover staff's time it takes to review the plan, account for the size of the alteration. This fee is similar to what other similar sized cities enforce. The proposed new fee is \$125 plan review plus \$0.30 sq/ft. The water heater permit fee is to ensure a plumber properly installs a water heater. The reason for an increase in this fee is to keep up with inflation and process applications. The current \$10 fee is being proposed to increase to \$15. The water line permit fee is to ensure a plumber properly installs a water line. This fee is for the processing of the application. The current fee for this is \$10 and it is being proposed to increase it to \$15. Stop work order fee is accounting for stopping illegal work on a property. This fee is being proposed for an increase to discourage illegal work and account for time it takes for staff to inspect and identify illegal work. The new fee proposed for the stop work order fee is \$100. Work without a permit fee for residential accounts for illegal work without a permit. This fee will discourage any work being done without the proper permits being pulled. This currently has a double fine from the cost of permit. Staff propose adding a flat fee of \$50 plus double fine to deter illegal work. Work without a permit for commercial. This fee will account for any illegal work being done. The fee will discourage anyone from doing illegal work without the proper permits. This currently has a double fine from the cost of permit. Staff propose adding a flat rate of \$100 plus double fine to deter illegal work. Code Enforcement Non-Compliance Abatement. This fee is used to abate properties that are not cared for. The reason for the proposed increase in this fee is that currently charge only \$203.78 for one operator working on a property and \$217.85 for two operators working on a property. This fee does not cover hourly wage or employees, wear and tear on equipment, and administrative fee does not charge if lien is place on property. As stated above, currently the fee is \$203.78 or \$217.85, depending on number of staff used. Staff proposes a flat \$300 for first offense and \$400 for second offense and \$500 for third offense to deter non-compliance with ordinances.

Commissioner Alvarez asked if the same crew that cuts city lots is used for these types of abatements. Mr. Spitzer responded that sometimes they are used if Public Works crew can't get to city lots.

Commissioner Alarcon commented that he doesn't feel that it's fair to compare our city with the City of New Braunfels when it comes to these types of fees, as New Braunfels is much larger than Kingsville. It should be compared to San Benito or Alice as those cities are more comparable to Kingsville.

Mr. McLaughlin commented that the majority of time the City of Seguin is used for comparison.

Mr. John Blair, Chief of Police presented the fees for the Police Department. The first fee was the Background Check Fee. This fee is used to cover the cost of the time the employee uses for call taking, scheduling, associated supplies, and other necessary costs. This is a new fee as the city did not charge for background checks. Proposed revenue with new fee is \$.00 per report number and \$3.00 per duplicate for same report number. It is estimated at 60 reports per month at \$6.00 per report would equal to \$360 per month times twelve months would bring in revenue of \$4,320 annually. The next fee is fingerprint card fees. The purpose for this fee is to cover the cost of the time the employees uses for call taking, scheduling, associated supplies, and other necessary costs. This is a new fee that will be introduced. The proposed revenue with the new fee is \$25.00 per card and \$10.00 for duplicate card from same appointment. It is estimated at 15 per month at \$25 per card equals to \$375 times twelve months would equal to \$4,500 annually. Just as a side note, the Kingsville Police Department does not keep copies of these cards.

Mr. Rudy Mora, City Engineer, presented the fees for the Engineering Department. The Stormwater Drainage Utility Fee purpose is to collect and direct stormwater runoff. The proposed fee is \$3,00 per Equivalent Residential Unit (ERU) per month. Proposed revenue with new fee is \$568,038.69. Drainage improvements include curb and gutter, storm system upgrades and low water crossing repairs.

Mrs. Deborah Balli, Finance Director, presented the fees for the Finance Department. The Utility Billing Fee is assessed when customers do not pay the utility bill by the due date. The reason the fee is proposed for an increase is personnel costs for employees, cost of the notices along with postage fee have all increased. The current fee is the greater of \$3.00 or 3% of current bill. The fee would change to the greater of \$5.00 or 10% of current bill. The City of Alice currently charges 15% of the current bill. Utility billing reconnect fee, during business hours. This fee is assessed when customers have been cut-off and the meter technicians have to return to the location to reconnect service once the red-bill has been paid. The reason for this fee is to reconnect customers and to cover personnel costs, vehicle maintenance, and fuel costs that are incurred. Mrs. Balli further explained the process of cutting off an account for non-payment.

Commissioner Hinojosa asked if this fee would cover a locked meter. Mrs. Balli responded yes; the fee will cover reconnection of that meter.

Mrs. Balli continued with utility billing reconnect fee, after hours. This fee is assessed when customers request the reconnection of service after hours. The current fee is \$50 and is being proposed for an increase to \$75. This usually occurs when a customer pays their bill at the end of the day and they want services turned on that day. The customer who pay online can call the non-emergency police department number and provide the required information that would allow the reconnection. On-call Public Works employees would provide this service. Utility billing tampering fees is assessed when a customer tampers with their meter to reconnect services without city authorization. The current fee is \$75 for 1st tamper and \$150 for 2nd tamper, with a maximum amount of \$1,000. It is proposed to increase this to \$100 for the 1st tamper, \$200 for 2nd tamper with a maximum of \$1,000. If meter is tampered a 3rd time, the meter will then be removed.

Commissioner Alarcon asked how these fees would be implemented. Ms. Alvarez commented that the fees being proposed would be implemented by ordinances which will be brought to the Commission in a series of events for approval. Each fee will have its own ordinance.

Commissioner Lopez asked about private ambulance fees and if there would be an increase on those fees. Mr. J.J. Adame, Fire Chief responded that this is a fee that is handled through the Fire Marshall. Chief Adame further commented that letters have been sent to those private ambulances reminding them of the fees in order to operate in Kingsville. Commissioner Lopez further asked who is doing the inspections of these private ambulances. Chief Adame responded that the Fire Marshall does the inspections. Commissioner Lopez further requested a report to be given on permits and inspections.

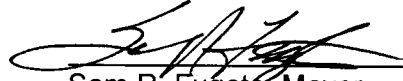
17. Executive Session: Pursuant to Section 551.074, of the Texas Open Meetings Act, the City Commission shall convene in executive session to deliberate the evaluation & duties of the City Manager. (Mayor Fugate).

Mayor Fugate announced the executive session agenda item and convened the meeting into closed session at 7:25 p.m.

Mayor Fugate reconvened the meeting at 8:11 p.m.

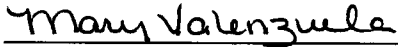
VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 8:11 p.m.



Sam R. Fugate, Mayor

ATTEST:



Mary Valenzuela, City Secretary