

SEPTEMBER 5, 2024

A SPECIAL MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON THURSDAY, SEPTEMBER 5, 2024, IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS AT 5:00 P.M.

**CITY COMMISSION PRESENT:**

Edna Lopez, Commissioner  
Norma N. Alvarez, Commissioner  
Hector Hinojosa, Commissioner  
Leo Alarcon, Commissioner

**CITY COMMISSION ABSENT:**

Sam R. Fugate, Mayor

**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  
Leticia Salinas, Accounting Manager  
Deborah Balli, Finance Director  
Susan Ivy, Park Director  
Bill Donnell, Public Works Director  
Rudy Mora, City Engineer  
Erik Spitzer, Director of Economic & Development Services  
Joseph Ramirez, Engineer's Assistant  
Steve Palacios, Fire Marshall

**I. Preliminary Proceedings.**

**OPEN MEETING**

Commissioner Lopez opened the meeting at 5:00 p.m. with four commission members present. Mayor Fugate was absent.

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

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

**MINUTES OF PREVIOUS MEETING(S)**

**Regular Meeting - August 12, 2024.**

**Motion made by Commissioner Alvarez to approve the minutes of August 12, 2024 as presented, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez voting "FOR".**

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

**1. Public Hearing on proposed Fiscal Year 2024-2025 budget. (Finance Director).**

Commissioner Lopez opened this public hearing at 5:02 p.m. He further announced that this is a public hearing and if anyone would like to speak on behalf of this item they may do so now with a five-minute limit. Additional time cannot be extended by the City Commission.

Mrs. Deborah Balli, Finance Director stated that the proposed budget is \$116,179,345.63 for FY 24-25. Within the packet, were some change sheets that showed total expenditures of \$116,027,659.83, there was a last-minute change for \$151,685.80 for the landfill drainage plan. This project needs to roll over into the new fiscal year.

There being no comments, Commissioner Lopez closed this public hearing at 5:04 p.m.

**2. Public Hearing on a proposed tax rate increase from \$.76000 to \$.77000 for Fiscal Year 2024-2025 with \$.77000 being an increase in the no new revenue rate of \$.73176; the vote on the tax rate will be on September 12, 2024, at 5pm in the Helen Kleberg Groves Community Room, City Hall, 400 W. King, Kingsville, Texas. (Finance Director).**

Commissioner Lopez opened this public hearing at 5:04 p.m. He further announced that this is a public hearing and if anyone would like to speak on behalf of this item they may do so now with a five-minute limit. Additional time cannot be extended by the City Commission.

Mrs. Balli stated that the current tax rate is \$.7600 per one hundred dollars and the proposed tax rate is \$.77000 per one hundred dollars. The proposed rate falls between the no new revenue rate of \$.73176 and the voter approval tax rate of \$.79793.

There being no comments, Commissioner Lopez closed this public hearing at 5:05 p.m.

### III. Reports from Commission & Staff.<sup>2</sup>

*“At this time, the City Commission and Staff will report/update on all committee assignments which may include but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful, and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial & Investment Information, Investment Report, Quarterly Budget Report, Monthly Financial Reports; 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. McLaughlin, City Manager reported that a second case of West Nile virus has been reported in Kingsville. The area in which the second case was reported, is the same as the first case, 700 block of Warren and Huisache. He further stated that the infected area will be sprayed by the Health Department beginning this evening through Saturday, pending weather conditions.

Ms. Courtney Alvarez, City Attorney reported that the next meeting is scheduled for Thursday, September 12, 2024, where the commission will consider voting on the FY 24-25 proposed budget and the new tax rate. The meeting will take place at City Hall, Helen Kleberg Community Room, 400 W. King Ave., Kingsville, TX and will begin at 5:00 p.m. The following meeting is scheduled for Monday, September 23, 2025. Agenda items are due for this meeting on September 12, 2024. Due to the Columbus Day holiday on Monday, October 14<sup>th</sup>, to which a regular meeting would have been scheduled, that meeting will be held on Tuesday, October 15, 2024.

Commissioner Lopez read and presented a proclamation for National Recovery Month for the month of September 2024.

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

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

No public comments were made.

### V.

#### Consent Agenda

#### Notice to the Public

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

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

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

None.

#### REGULAR AGENDA

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

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

#### 1. Review and discuss proposed fiscal year 2024-2025 budget for departments of the City of Kingsville. (City Manager).

Mr. McLaughlin gave a brief recap on the proposed FY 24-25 budget. He stated that the FY 24-25 is being proposed at \$116,179,345.63 with the new tax rate at \$.77000 per one hundred dollars. In the current budget, there are fee increases of 13% for sewer, 15% for water, a street user fee of \$2.00 increase, and 20% for the different tiers for commercial. The budget also includes the second phase of the compensation plan for 104 employees. It also includes year 2 of the Kingsville Police Department Collective Bargaining Agreement

and the first year of the Fire Department Collective Bargaining Agreement. The general fund stands now at 26.59% of the fund balance which is above the 25% minimum. The utility fund is at 26.06% which is above the 25% minimum. Of 175 supplemental requests received, only 17 of those requests were able to be funded for the upcoming fiscal year. He further stated that what is not in the budget but will be an immediate savings from day one is the appraisal district budget that he just received it, which is up for a vote. They have lowered the amount of increases in their fees. In the city's budget, the fee that the city would pay the appraisal district is a little over \$199,000.00. Based on the budget he received from the appraisal district, it looks as if it will drop to \$190,000, which is a \$9,000 savings from day one. Mr. McLaughlin stated that he has not received any input from anyone since the last budget workshop.

Commissioner Alvarez asked if the staff had estimated what the appraisal districts budget would be for the new fiscal year?

Mr. McLaughlin responded yes, as the city receives a preliminary number from the appraisal district, and they had an increase of 5% in every line item. He stated that he asked for justification for the increases but never received anything in return, but he did receive their budget which shows about a 2% increase across the board.

**2. Consider introduction of an ordinance adopting the City Manager's budget, as amended, of the City of Kingsville, Texas, and appropriating funds for the fiscal year beginning October 01, 2024, and ending September 30, 2025, in the particulars hereinafter stated. (Finance Director).**

Mr. McLaughlin stated that the final vote for the budget will take place on September 12, 2024. The voter will be a roll call vote, and the minimum number of commissioners required to attend to vote on this is three. All three members would have to vote unanimously to approve this budget. The law states that the commission shall adopt a budget.

Introduction item.

**3. Consider introduction of an ordinance establishing and adopting the ad valorem tax rate for all taxable property within the City of Kingsville, Texas for fiscal year beginning October 01, 2024, and ending September 30, 2025, distributing the tax levy among the various funds, and providing for a lien on real and personal property to secure the payment of taxes assessed. (Finance Director).**

Mr. McLaughlin stated that the final vote for the new tax rate will take place on September 12, 2024. The proposed tax rate is \$.77000 per one-hundred-dollar evaluation.

Introduction item.

**4. Consider taking no action to approve the budget until the City Commission meeting to be held on Thursday, September 12, 2024. (Finance Director).**

Ms. Alvarez stated that this is generally stated verbally, but for clarification for people that were not going to be showing up it would be easier for people that haven't paid attention to prior meetings when the actual vote will take place for the FY 24-25 budget.

Commissioner Lopez commented that she had never seen an item like this in the past.

**Motion made by Commissioner Alvarez to approve taking no action to approve the budget until the City Commission meeting to be held on Thursday, September 12, 2024, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Alvarez, Lopez voting "FOR".**

**5. Consider introduction of an ordinance amending the Code of Ordinances of the City of Kingsville, Texas, Chapter V Public Works, Article 6 "Stormwater Utility System", Section 21 Fee Calculation, to increase the monthly stormwater utility fees for the purpose of funding the stormwater utility system. (City Engineer).**

Mr. Rudy Mora, Engineer stated that increasing the Stormwater Utility fee is to provide additional funding for repairing, replacing, and upgrading the city's stormwater infrastructure. Not approving this increase would impede and limit the completion of additional stormwater/drainage projects, funding grant & loan applications, and continue to allow flooding within the city. The fee increase will allow the city to better manage stormwater runoff from properties by directing it into the city's stormwater conveying system.

Introduction item.

**6. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 2-Sewers, Section 3-Required Taps, Connections, providing for an increase in sewer tap fees. (Public Works Director).**

Mr. Mora stated that this item authorizes the increase in fees for wastewater tapping charges. Material and equipment prices have increased over the years. Sewer tapping fees have not been increased since 2002. This increase is requested to keep up with the market price of material and equipment. Tapping fees have been polled for the surrounding areas and are competitive with the recommendation.

Introduction item.

**7. Consider introduction of an ordinance amending the City of Kingsville Code of Ordinances Chapter V, Article 3, Section 52-Tapping Charges, providing for an increase in water tapping charges and water boring tap charges. (Public Works Director).**

Mr. Bill Donnell, Public Works Director stated that this item authorizes the increase in fees for water tapping charges. Material and equipment prices have increased over the years. Meter tapping fees have not been increased since 2017, This increase is requested to keep up with the market price of materials and equipment. Tapping fees have been polled for the surrounding areas and are competitive with the recommendation.

Introduction item.


**8. Consider introduction of an ordinance amending the Fiscal Year 2023-2024 budget to appropriate additional funding for sanitation professional services and vehicle maintenance. (Public Works Director).**

Mr. Donnell stated that the Sanitation Recycling Center has been very productive in receiving recycling from the public this year which has created a need for additional funding for service of the single stream compactor. These funds will pay for the additional hauling required for the single-stream recycling program. The new garbage trucks orders at the beginning of this fiscal year have not been delivered and has created unforeseen additional maintenance and repairs for the current units to continue collecting the garbage routes. Additional funds of \$12,790 should cover expenses throughout the remaining fiscal year. He stated that he is requesting total budget reserve funds of \$19,290 to cover operation expenses through the remaining fiscal year.


Introduction item.

**VI. Adjournment.**

There being no further business to come before the City Commission, the meeting was adjourned at 5:26 p.m.

  
Sam R. Fugate, Mayor

**ATTEST:**

  
Mary Valenzuela, City Secretary