

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 11, 2025, 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 Alvarez, Commissioner  
Hector Hinojosa, Commissioner  
Leo Alarcon, Commissioner

**CITY STAFF PRESENT:**

Charlie Sosa, Interim City Manager  
Mary Valenzuela, City Secretary  
Courtney Alvarez, City Attorney  
Kyle Benson, IT Director  
Emilio Garcia, Health Director  
Leticia Salinas, Accounting Manager  
Juan J. Adame, Fire Chief  
Susan Ivy, Parks Director  
Rudy Mora, City Engineer  
Deborha Balli, Finance Director  
John Blair, Police Chief  
James Creek, Captain  
Connie Womack, Tourism Director  
Bill Donnell, Public Works Director  
Alicia Tijirena, Downtown Manager/Special Events Coordinator  
Erik Spitzer, Director of Planning and Development Services

**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)**

None.

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

None.

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

*“At this time, the City Commission and Staff will report/update on all committee assignments which may include but is not limited to the following: Planning & Zoning Commission, Zoning Board of Adjustments, Historical Board, Housing Authority Board, Library Board, Health Board, Tourism, Chamber of Commerce, Coastal Bend Council of Governments, Conner Museum, Keep Kingsville Beautiful, and Texas Municipal League. Staff reports include the following: Building & Development, Code Enforcement, Proposed Development Report; Accounting & Finance – Financial 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. Charlie Sosa, Interim City Manager, introduced Mr. Jeremy Meyers, the city's new Street Supervisor. Sosa gave an update on street projects.

Ms. Courtney Alvarez, City Attorney, reported that the city has scheduled a special meeting for Wednesday, August 13, 2025, for a budget workshop. The next regular scheduled meeting is set for Monday, August 25, 2025. The deadline for staff to submit agenda items for the August 25<sup>th</sup> meeting is August 13, 2025.

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

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

V.

**Consent Agenda****Notice to the Public**

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

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

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

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

**1. Motion to approve a resolution authorizing the Interim City Manager to enter into an Engagement Letter Agreement between the City of Kingsville, Texas and John Womack & Co., P.C. for the 2024-2025 Fiscal Year Audit. (Finance Director).**

**REGULAR AGENDA****CONSIDERATION OF MOTIONS, RESOLUTIONS, AND ORDINANCES:**VI. Items for consideration by Commissioners.<sup>4</sup>

**2. Consideration and approval accepting the 2025 Final Certified Estimated Value Information and the 2025 Final Certified Estimated Rolls for the total appraised assessed and taxable values of all existing and new property in the City of Kingsville as certified by the Kleberg County Appraisal District. (Finance Director).**

Mrs. Deborah Balli, Finance Director stated that the city's net taxable value for next year is \$1,046,597,537.00. She further noted that this has been certified by the appraisal district to the city.

Mayor Fugate asked if staff were satisfied with these numbers. Mrs. Balli responded yes.

**Motion made by Commissioner Alvarez to accept the 2025 Final Certified Estimated Value Information and the 2025 Final Certified Estimated Rolls for the total appraised assessed and taxable values of all existing and new property in the City of Kingsville as certified by the Kleberg County Appraisal District, seconded by Commissioner Hinojosa. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".**

**3. Consideration and approval of Certification of 2024-2025 Excess Debt Collections for City of Kingsville Interest & Sinking Fund and Certification of 2025 Anticipated Collection Rate. (Finance Director).**

Mrs. Balli read the following two statements on behalf of Maria V Valadez, Kleberg County Tax Assessor-Collector: "I, Maria V Valadez, Collector for City of Kingsville, solemnly swear that the anticipated collection rate for 2025 for City of Kingsville Maintenance & Operations Fund has been determined to be 100%." "I, Maria V Valadez, Collector for City of Kingsville, solemnly swear, that the amount of excess debt service funds collected in 2025 for the Interest & Sinking Fund has been determined to be \$0."

**Motion made by Commissioner Hinojosa to approve the Certification of 2024-2025 Excess Debt Collections for City of Kingsville Interest & Sinking Fund and Certification of 2025 Anticipated Collection Rate, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".**

**4. Consideration and approval of a proposed tax rate, if it will exceed the no-new revenue tax rate or the voter-approval rate (whichever is lower), take record vote, and schedule public hearing for 5:00 p.m. on September 2, 2025, at City Hall in the Helen Kleberg Groves Community Room, 400 W. King Avenue, Kingsville, Texas 78363. (Finance Director).**

Mrs. Balli stated that every year, the tax calculation is prepared by the Kleberg County Tax Office using the State's provided tax calculation worksheet and is based on the current year's certified taxable values. The tax calculation ended up with the following rates: The tax calculation ended up with the following rates: No-New Revenue Tax Rate (NNR) - \$.71665 (This rate will provide the same amount as last year's adopted rate); Voter

Approved Tax Rate (VAT) - \$.76919 (This rate is 3.5% between the NNR and the VAT adjusted for a percentage of sales taxes {\$.16751} used to reduce the tax rate); Proposed Tax Rate - \$.76918 (Right under the VAT which does not cause an election) – less than the rate for FY 24-25.

**Motion made by Commissioner Alarcon “I move that the proposed property tax rate be \$0.76918 and that one public hearing be set for Tuesday, September 2, 2025 at 5:00 p.m. in the Helen Kleberg Community Room, City Hall, 400 W. King Ave., Kingsville, Texas with additional funds to be used for city infrastructure upgrades, equipment, employee wages, and benefits, technology, and increased operational costs, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alarcon, Lopez, Alvarez, Hinojosa, Fugate voting “FOR”.**

**5. Consideration and approval of a resolution authorizing the Interim City Manager to execute the Construction Contract with Grace Paving and Construction, Inc. for the GLO CDBG-MIT Contract No. 22-085-009-D237 Project 14: E. Santa Gertrudis Ave. Storm Water Improvements Project. (Bid No. 25-17 awarded 7/28/25). (City Engineer).**

Mr. Rudy Mora, City Engineer, stated that Bid 25-17 Project 14 was awarded on July 28, 2025, and now it is requested that the construction contract be awarded for \$1,118,161.96 to Grace Paving and Construction, Inc., of Corpus Christi, TX.

**Motion made by Commissioner Hinojosa to approve the resolution authorizing the Interim City Manager to execute the Construction Contract with Grace Paving and Construction, Inc. for the GLO CDBG-MIT Contract No. 22-085-009-D237 Project 14: E. Santa Gertrudis Ave. Storm Water Improvements Project. (Bid No. 25-17 awarded 7/28/25), seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting “FOR”.**

**6. Consideration and approval of a resolution authorizing the Interim City Manager to execute a Standard Form of Agreement Between Owner and Contractor KJM Commercial Inc. Victory Building Team for construction of Kingsville Fire Station #3. (Bid #25-15 awarded 7/14/25). (Purchasing Manager).**

Mr. Sosa stated that it is being requested to award and approve a contract with Victory Building Team in the amount of \$8,250,000.00 as per BRW Architects' recommendation. This project was advertised in the local newspaper and on the city's website. Ten sealed bids were received prior to the deadline on May 29, 2025. The base bids range from \$8,250,000.00 to \$10,311,065.00. After review, BRW Architects recommends awarding the project to the lowest bidder, Victory Building Team, for the base bid amount of \$8,250,000.00.

Mayor Fugate asked if this particular company had worked on other fire stations. Mr. Sosa responded yes.

**Motion made by Commissioner Lopez to approve the resolution authorizing the Interim City Manager to execute a Standard Form of Agreement Between Owner and Contractor KJM Commercial Inc. Victory Building Team for construction of Kingsville Fire Station #3. (Bid #25-15 awarded 7/14/25), seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting “FOR”.**

**7. Consideration and approval of City participation in the Viva El Centro Event to take place September 19 & 20, 2025 in the downtown area. (new event not included in the list of events & parades approved for FY24-25 on 9/23/24). (Tourism Director).**

Mrs. Connie Womack, Tourism Director, stated that Hispanic Heritage Month is celebrated annually from September 15<sup>th</sup> through October 15<sup>th</sup>. To commemorate this celebration, the Tourism Department is adding a new festival to the list of city-sponsored events. Viva El Centro will run from September 19 to September 20<sup>th</sup> in the downtown area. The purpose of this event is to transform downtown Kingsville into a vibrant cultural and commercial hub. By celebrating part of our community's heritage as well as showcasing local artists and small businesses in an effort to foster unity, economic growth, and a sense of pride in our historic district. Mrs. Womack further stated that the request is for approval of this event and recommends that street closing fees, along with services provided by the city in support of this event, be considered as an in-kind sponsorship.

Mayor Fugate asked when the company would be returning to work on the concrete street on Kleberg Ave.

Mr. Sosa stated that the company is currently working in Colorado and is hoping to be back in Kingsville sometime in September. This work will be done before this event.

Commissioner Lopez asked if staff had any sponsors for this event.

Mrs. Womack responded that she has been to a lot of businesses and is currently working on it, and she hopes to hear by tomorrow from a large sponsor.

Commissioner Lopez further asked if it would be possible that maybe they are not willing to sponsor the event as it has nothing to do with a non-profit.

Mrs. Womack responded that this event is a new event, and it has never gone to a non-profit and by offering this event in conjunction with Ranchhand the large ask from some of the premier sponsors are large sponsors, so what she is trying to do is asking some others who have not given money to Ranchhand.

**Motion made by Commissioner Alvarez to approve City participation in the Viva El Centro Event to take place September 19 & 20, 2025, in the downtown area. (new event not included in the list of events & parades approved for FY24-25 on 9/23/24), seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".**

**8. Discussion on proposed City of Kingsville Fiscal Year 25-26 budget for General Fund, Rate/Fee Increases, Fund Balance Discussion. (Interim City Manager).**

Mr. Sosa gave a presentation on General Fund 001. Revenues for this fund are in the amount of \$25,680,434.69. The increase in revenues of \$557,000 from the proposed tax rate of \$0.76918 has not been included. This increase is predicated on our current year's estimates being realized. Once the proposed tax rate is discussed and accepted, then revenues will be adjusted accordingly. The Economic Development Fund 098 was consolidated into the General Fund for FY 25-26 since the Economic Development Director now falls 100% under the direction of the City, reporting directly to the City Manager. The ending fund balance of this fund was transferred into the General Fund. The Fire Ambulance Service third-party biller has changed from Digitech to Emergicon. The biggest change will be seen in the expenditure, as their service fees are lower than Digitech's. Budgeted revenues for the Health Department have increased from \$44,705 to \$72,641 due to the current year's activity. Transfers In decreased \$610,202 from \$3,329,984 to \$2,719,782, mainly due to the one-time transfer from the Property Tax Reserve account and the health insurance premium contribution. General Fund expenditures are \$26,232,109.00. Personnel Category include: The worker's comp experience modifier decreased from 80% to 75%; TMRS includes the increase from 9.56% to 10.06% to include the 2:1 change in retirement benefits; 2 positions (Division 1601 & 1902) were eliminated due to work efficiencies and budget constraints; 2 positions of the 4 unfunded positions in FY 24-25 were funded for FY 25-26; Division 1060 for Economic Development was added to General Fund. Division 1030: All copier leases and communication expenditure have been moved into this division to facilitate easier bill payment. These are non-core expenditures. Election expenses have been estimated at \$55,000. If these expenditures are not needed, then this amount will be moved to the Year-End Reduction line item. Division 2102: Police Division for CID non-personnel expenditures are separated from Patrol into Division 2104. The Jail Contract was reduced from FY 24-25 due to contract issues. Mr. Sosa further stated that he and the Chief of Police have met with Sheriff and agreed on four beds from seven beds at \$125,000. The city was committed to seven beds but the Chief of Police did some research and figured out that the city was not using all seven beds and agreed on four beds at \$125,000 for the year. This is a reduction from \$319,000 to a reduction of \$191,000.

Commissioner Lopez asked if the city has paid the bills from January to the current. Mr. Sosa responded yes. He stated that staff negotiated from January to now and the city is paying for seven beds at \$75.00 per bed. Commissioner Lopez asked if it was from \$125 to \$75 per bed. Mr. Sosa responded yes.

Mayor Fugate stated that a concern he had, which was brought up to his attention, was that Kenedy County was paying \$85 per bed and the City of Kingsville was paying \$125.00 per bed.

Mr. Sosa responded that this was correct, but after negotiating with the county, it was agreed upon from January to now at \$75.

Commissioner Lopez asked that if this was just from January to now. Mr. Sosa responded yes, and further commented that the new contract, which was negotiated today, instead of having seven beds it will go down to four beds at \$125. He further stated that the caveat is that in the event that Kenedy County does not pay \$125 and rather pay \$85, then the city will also pay \$85. He stated that whatever amount Kenedy County pays, the City of Kingsville will also pay. Sosa further stated that on the contract, it will state that at the end of the fiscal year, next year, we will look at beds that were used and adjust the contract accordingly.

Commissioner Lopez asked if the city would still have to pay for the four beds, whether they are used or not. Mr. Sosa responded yes at \$75 for the rest of this year, but coming up to the new fiscal year the four beds will be at \$125.

Mrs. Balli commented that when staff adjusted the budget today, the total expenditures for this year will be \$224,000 versus the \$300,000 that was budgeted. For next year, it had been budgeted \$175,000 in the proposed budget and it came to \$182,500, which next year's budget had to be adjusted by \$7,500.

Commissioner Alvarez asked how many positions were absorbed. Mr. Sosa responded that there were three vacant positions and three non-vacant positions.

Commissioner Lopez asked if three people were laid off. Mr. Sosa responded yes.

Mrs. Balli commented that not all of those positions were in general fund.

Commissioner Alvarez asked if some retired and those positions were just not filled.

Mr. Sosa responded that there were some people that were relocated to another department and the positions they came from were just not filled.

Commissioner Lopez stated that the three employees who were laid off went to another position.

Mr. Sosa responded no, those positions will only be funded until the end of September 2025.

Commissioner Hinojosa asked when the budget process first began, and what the amount was that was out of balance. Mr. Sosa responded that it was about \$2.3 million.

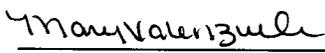
Mrs. Balli stated that at first, she was looking for \$2.34 million in the general fund, but now we are meeting the 25% reserves that are required. Mrs. Balli further gave the presentation for updated fund balance. She further announced the upcoming scheduled workshops.

#### VI. Adjournment.

There being no further business to come before the City Commission, the meeting was adjourned at 5:49 p.m.

  
Sam R. Fugate, Mayor

#### ATTEST:

  
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Mary Valenzuela, City Secretary