

A REGULAR MEETING OF THE CITY OF KINGSVILLE CITY COMMISSION WAS HELD ON MONDAY, AUGUST 10, 2026, IN THE HELEN KLEBERG GROVES COMMUNITY ROOM, 400 WEST KING AVENUE, KINGSVILLE, TEXAS, AT 4:00 P.M.

CITY COMMISSION PRESENT:

Sam R. Fugate, Mayor
Edna Lopez, Commissioner
Hector Hinojosa, Commissioner
Leo Alarcon, Commissioner
Norma Alvarez, Commissioner (arrived at 4:12 p.m.)

CITY STAFF PRESENT:

Charlie Sosa, City Manager
Mary Valenzuela, City Secretary
Courtney Alvarez, City Attorney
Kyle Benson, IT Director
Derek Williams, Systems Administrator
Susan Ivy, Parks Director
Leticia Salinas, Accounting Manager
Emilio Garcia, Health Director
John Blair, Police Chief
Bill Donnell, Public Works Director
Rebecca Duke, Interim Tourism Director
Manny Salazar, Economic Development & Interim Planning Director
Diana Gonzales, Human Resources Director
James Creek, Fire Captain
Deborah Balli, Finance Director
Ella McMahan, Administrative Assistant I, Engineering

I. Preliminary Proceedings.

OPEN MEETING

Mayor Fugate opened the meeting at 4:00 p.m. with four commission members present. Commissioner Alvarez arrived at 4:12 p.m.

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.

4:00 P.M.-WORKSHOP:

Discussion on proposed Fiscal Year 26-27 Budget and funds for the City of Kingsville. (City Manager).

Mr. Sosa stated that during this budget workshop, the following funds will be presented: General Fund, Tourism Fund, Police State Seizure Fund; Law Officers Enforcement Fund; GO Debt Service Fund; Utility Fund Debt Service Fund; and Fee increases. Mr. Sosa moved forward with his presentation.

Fund Balance: Fund Balance is an accounting term that represents the difference between a fund's assets (what you own) and liabilities (what you owe). It represents the net cash after all revenues have been deposited and all expenses have been paid. For the City of Kingsville, there are two funds with required minimum 25% fund balances: General Fund 001 and Utility Fund 051. During the budget process, you will hear budget terms of EA (Estimated Actuals) and DR (Department Requested). EA Revenues represent the estimated amount that the city will collect/receive in the current FY (FY 25-26). EA Expenditures represent the estimated amount the city will spend in the current FY (FY 25-26). DR & Revenues represent the anticipated amount of revenue the city will collect/receive in the next FY (FY 26-27). DR & Expenditures represent the anticipated amount of expenditure the city will spend in the next FY (FY 26-27). Fund Balance is calculated by taking the beginning fund balance, adding the revenues, and subtracting the expenditures. For those funds that have a minimum 25% fund balance, this amount is calculated by taking 25% of the expenditure. The calculated ending fund balance has to be equal to or greater than 25% of the expenditures. The ending fund balance percentage is calculated by taking the ending fund balance and dividing it by the total expenditures.

General Fund 001: Main operating fund used to account for and report all financial resources not accounted for in another fund. Funded positions, Economic Development has been consolidated into Planning. Finance Administration is split funded with Utility Fund. Technology Services will receive a new part-time Help Desk for 19 hours per week. Fire will get two new Firefighters for the new Fire Station. Golf Course will be transferred back to Kleberg County.

The cost of the 3% COLA is as follows: General Fund - \$297,941.28; Tourism Fund - \$7,699.72; Utility Fund - \$72,523.90; Total Cost of 3% COLA - \$378,164.90. The General Fund amount does

not include the COLA budgeted for non-commissioned Police Officers. Their COLA was included in their new hourly rate.

General Fund Audited Beginning Fund Balance FY 25-26 is \$7,686,340.76. Beginning fund balance FY 25-26 is \$7,686,340.76 with EA revenues at \$25,164,343.43 and EA expenditures at \$25,164,343.43, leaving an estimated ending fund balance for FY 25-26 of \$7,735,962.02. Beginning fund balance FY 26-27 at \$7,735,962.02 with DR revenues at \$26,769,769.32 and DR expenditures \$27,358,947.19 for an estimated fund balance for FY 26-27 at \$7,146,784.15.

Mr. Sosa stated that the Chief Appraiser supplied the certified tax roll last week, which is the reason why we are kind of behind on the budget together. Staff met with the Chief Appraiser last week, and we received the certified tax roll.

Tax Rate Information: The Chief Appraiser supplied the Certified Tax Values, and Finance worked with the Tax Collector to calculate the effective tax rate for the FY 26-27 budget. The following are the results from this information: 2026 Final Certified Estimate of Net Taxable Value - \$1,336,031,948 (includes \$129,358,463 under protest); 2026 Total Gross Values not under review \$1,669,844,973, which is \$170,753,452 more than 2025 Total Gross Values of \$1,499,091,521. 2026 Adjusted Taxable Value not under Review is \$1,206,673,485 which is \$160,075,948 more than 2025 Value of 1,046,597,537. The above information results in the tax rate calculation of: Current tax rate - \$.76918 No new revenue rate - \$.74140; Voter approved tax rate - \$.77778; Proposed tax rate - \$.77777; Proposed in the GF 001 budget - \$0.63150 (M&O Tax Rate) - M&O Revenue - \$8,164,450; Proposed in the GO Debt Service 011 budget - \$0.14627 (Debt Svc Tax Rate) - DS Revenue - \$1,938,940; Amounts budgeted represent 98% collection rate.

Revenues Budget Notable Changes: The Golf Course was transferred back to the County. 100 Ad Valorem Taxes - FY 26-27 budget was increased by \$470,520 due to the estimated increase in tax calculation. 200 Non-Property Taxes - FY 26-27 budget for sales tax revenues was increased by 5% due to the FY 25-26 current trend. 300 Permits/Licenses - Revenues in this category were adjusted due to the FY 25-26 current trend. 500 General Services - FY 26-27 budget includes lease purchase revenues for both police vehicles and GF vehicles. 750 Transfers In - The transfer in from the Utility Fund 051 was adjusted for inflation, and the catch-up from FY 25-26 was added. 900 Interest - Interest rates continue to decrease, and as grant and bond proceeds are spent, funds that earn interest decrease.

Revenues Status Information: Non-Department - Most of the revenues in this division are interfund transfers, and all transfers have not been completed at this time. 1600-Permits - The revenues have been posted through July, with 2 months remaining. EA's are expected to bring in \$35,541 per month, with \$71,000 on trend to come in, which is in line with budget expectations. 1700-Solid Waste - revenues in this division are normally \$228,000 per month. There is approx. \$60,000 in Garbage revenues still to post for July and \$456,000 left to be received for August & September. 1800-Finance - This division houses the 2 largest sources of revenues. Revenues from Sales Tax currently only show 5 months of receipt due to the first two months having to be accrued back to the prior year. Property Taxes are only posted through June, with 3 months remaining. 2200-Fire - Revenues have been posted through June. Average month is \$74,000. 4500-Parks - Revenues from this division have not been turned in or posted into GL for most of their summer season, which ends at the end of September.

Expenditures Budget Notable Changes: The Golf Course was transferred back to the County. 10 Personnel Services: Overall, this category saw increases in health insurance premiums, a 3% COLA for non-civil service employees and Fire, a 4.5% COLA for non-commissioned police officers, 2 new Firefighter positions, 1 PT Help Desk position, and a split-funded position with UF for Division 6201. Savings were recognized due to the Economic Development division being consolidated into Planning: 30 Services, certain expenditures were reallocated to the Utility Fund that were being spent for those operations, such as utilities and software costs. The City also did not have to budget for an election in FY 26-27, saving \$55,000.

Commissioner Lopez asked what is going to happen to the employees at the Golf Course once the transfer is made back to Kleberg County.

Mr. Sosa responded that he has spoken with the County Judge and all the employees will transfer to the county, and they will be kept at the rate of pay they currently are with the city. Their health insurance will transfer from the city's insurance to the county insurance.

Commissioner Lopez stated that it doesn't make sense that the county does not have a compensation plan.

Mr. Sosa stated that if the city has some positions available, the Golf Course employees are more than welcome to apply for those city positions if they would like to continue with the city.

Commissioner Lopez asked if any of those employees are eligible for retirement.

Mr. Sosa responded that Golf Course employees are not eligible for retirement.

Commissioner Lopez asked if Mrs. Susan Ivy, Parks & Golf Course Director, would have fewer employees. Mr. Sosa responded yes.

Mr. Sosa continued with the budget presentation and stated that for 70 Capital Outlay, the City entered into a new capital lease to purchase 12 new vehicles for General Fund divisions and (5) police vehicles, which will also result in savings in vehicle maintenance costs.

General Fund 001 FY 26-27 Approved Supplementals:

**CITY OF KINGSVILLE
FY 26-27 PERSONNEL REQUESTS**

Description	Type	Amount	CM Approved
Fund 001 - General Fund			
1000- City Commission			
City Secretary Class Change from 25 to 31	Change	\$9,583	\$9,583
1100-Human Resources			
Change from Non-Exempt safety & Training Coordinator to Exempt Risk Manager	Change	\$19,274	\$19,274
1902-Information Technology			
PT Help Desk (19 hours) - Class 17 - Step 1	New	\$22,848	\$22,848
2200-Fire			
(2) Firefighters	New	\$307,225	\$152,172
Total General Fund 001 Approved Personnel Requests		\$358,930	\$203,877

**CITY OF KINGSVILLE
FY 26-27 EXPENDITURE REQUESTS**

Description	Type	Amount	CM Approved
Fund 001 - General Fund			
1030- City Special			
Insurance-FF Retiree 001-5-1030-11602 FF Spec Conition Insurance	Permanent	\$6,000	\$6,000
1100-Human Resources			
CPR Training for all employees requested by CM 001-5-1100-22500-Educational Materials/Supplies	Permanent	\$5,000	\$5,000
1603-Code Compliance			
Postage for Certified Mailings 001-5-1603-31300-Postage & Freight	Permanent	\$2,000	\$2,000
Description	Type	Amount	CM Approved
2101-Police Administration			
Cover Addit Mandated Psych Exam for Police Officer and Telecommunicator 001-5-2101-32500-Medical Treatment	Permanent	\$1,500	\$1,500
2103-Police-Communications			
Rental-Propane Tank for Generator at DKP at Radio Tower 001-5-2103-31800-Equipment Rental	Permanent	\$20	\$20
2104-Police CID			
CID Training-Three New Detectives and One Full-Time Evidence/Crime Scene Personel 001-5-2104-31600-Training & Travel	Permanent	\$5,000	\$2,500
Description	Type	Amount	CM Approved
2200-Fire			
Personal Protective Equipment & Complete Sets of Uniforms due to Rising Costs 001-5-2200-21200 Uniforms & PPE	Permanent	\$4,648	\$4,648
Medical Supplies-Due to Rising Costs 001-5-2200-22400-Medical Supplies	Permanent	\$5,830	\$5,830
House Bill 198-Cancer Screenings 001-5-2200-31400-Professional Services	Permanent	\$20,000	\$20,000
Paramedic Class-Tuition & Books 001-5-2200-31621-Training & Travel	Permanent	\$12,000	\$12,000

Description	Type	Amount	CM Approved
3000-PW Admin			
Professional Memberships-PW Director 001-5-3000-31700-Membership & Dues	Permanent	\$300	\$300
Coffee and Water-Due to Increase in Costs 001-5-3000-31900-Catering	Permanent	\$500	\$500
Laundry-Due to Increase in Costs 001-5-3000-32400-Laundry	Permanent	\$600	\$600
3050-PW Street			
CDL Class & Training 001-5-3050-31600- Travel & Training	Permanent	\$3,000	\$3,000
Tractors, Scags, and Tampers 001-5-3050-41400- Equipment Maintenance	Permanent	\$300	\$300

Commissioner Lopez asked if anything was considered for the Telecommunication Operators, as they are having trouble keeping or bringing in new operators.

Mr. Sosa responded that staff will be meeting with the University tomorrow on a training program. This would create a Telecommunication Operator TCLOE-certified class. As they go through the training, they can receive some internship hours through the city. This will be proactive in trying to get more of the Telecommunication Operators to work with the Police Department. He stated that Kristen came down from Tyler, and she started the program in Tyler, TX, and was very successful in doing that. She is now here and is housed with Jeff West at the Training facility, where he spoke briefly about the program and brought it to Jeff's attention to move forward with that program. If the program is successful, we will be able to house and train.

Commissioner Lopez commented that it all sounds really good, but she knows that they are desperate for employees now.

Mr. Sosa stated that he understands, and it is a very stressful position, and not just anyone could do this type of job.

Commissioner Lopez stated that she would like the City Manager to look into this, as it is a very important position. She further stated that the idea with the university is a good idea, but it does take time to put all this together and they need help now.

Mayor Fugate asked if Texas A&M University-Kingsville had moved into the old McCoy's building. Mr. Sosa responded that they are in the process of making that move.

Ms. Alvarez commented that this will impact the city's budget as the McCoy's building will be pulled off the tax roll.

Description	Type	Amount	CM Approved
4400-Health			
TAMUK- Vet Tech Program 001-5-4400-31400 Professional Services	One-Time	\$40,000	\$40,000
4503-Parks Maintenance			
Brookshire Pool Grant Match 001-5-4503-59110 Brookshire Park- 1	One-Time	\$60,000	\$60,000
Total General Fund 001 Approved Expenditure Requests		\$166,698	\$164,198

Description	Type	Amount	CM Approved
General Fund - Fund 001			
1902-Technology Services			
Applicant Tracking Software Year 3 Agreement 001-5-1902-31410-ProfSrv-Sftware Mnt	Recurring	\$14,225	\$14,225
Technology Solution-LEAF/ Free it Data Solutions 001-5-1902-31410-ProfSrv-Sftware Mnt	Recurring	\$24,640	\$24,640
Overall Renewal Increase 001-5-1902-31410-ProfSrv-Sftware Mnt	Recurring	\$24,750	\$24,750
Firewalls & Antivirus Software Renewal 001-5-1902-31410-ProfSrv-Sftware Mnt	Recurring	\$14,400	\$14,400
Total General Fund - Fund 001 Approved IT Requests		\$78,015	\$78,015

CITY OF KINGSVILLE
FY 26-27 CAPITAL OUTLAY REQUESTS

Description	Type	Amount	CM Approved
Fund 001 - General Fund			
1603-Code Compliance			
Lease Veh 1-2026 Chevy 1500 Regular Cab 2WD W/5ft Bed/White 001-5-1603-71100-Vehicle	Replacement	\$38,619	\$43,619
Lease Veh 2-2026 Chevy 1500 Regular Cab 4WD W/5ft Bed/White 001-5-1603-71100-Vehicle	Replacement	\$43,619	\$48,619
Description	Type	Amount	CM Approved
1702-Sanitation			
Lease Veh 3-2026 Chevy 1500 Regular Cab 2WD W/5ft Bed/White Code Replace Unit #3001 001-5-1702-71100-Vehicle	Replacement	\$38,619	\$43,619
Lease Veh 4-2026 Chevy 1500 Regular Cab 2WD W/5ft Bed/White Code Replace Unit #3002 001-5-1702-71100-Vehicle	Replacement	\$38,619	\$43,619
1703-Landfill			
Lease Veh 5-2026 Chevy 2500 Crew Cab 4WD W/5ft Bed/White Code Replace Unit #9316 001-5-1703-71100-Vehicle	Replacement	\$48,619	\$53,619

Description	Type	Amount	CM Approved
3030-Garage			
Lease Veh 6-2026 Chevy 1500 Regular Cab 2WD W/5ft Bed/White Code Replace Unit #8001 001-5-3030-71100-Vehicle	Replacement	\$38,619	\$43,619
3050-Street			
Lease Veh 7-2026 Chevy 1500 Regular Cab 4WD W/5ft Bed/White Code Replace Unit #5102 001-5-3050-71100-Vehicle	Replacement	\$43,619	\$48,619
Lease Veh 8-2026 Chevy 1500 Regular Cab 4WD W/5ft Bed/White Code Replace Unit #7407 001-5-3050-71100-Vehicle	Replacement	\$48,619	\$53,619
Lease Equip-Street Gator 001-5-3050-71200-Machinery/Equipment	Addition	\$20,000	\$20,000
Description	Type	Amount	CM Approved
4400-Health			
Lease Veh 9-2026 Crew Cab 2WD W/5ft Bed Replace Unit #950 001-5-4400-71100-Vehicle	Replacement	\$41,714	\$46,714
Lease Veh 10-2026 Crew Cab 2WD W/5ft Bed Replace Unit #950 001-5-4400-71100-Vehicle	Replacement	\$41,714	\$46,714
(2) Triple Stainless Steel Cat Cages stacked w/3 Small Cages on the Top, 2 Medium Cages in the Middle, and 1 Large Cage on the Bottom that Convert into 2 Large Cages 001-5-4400-71200- Machinery & Equipment	Replacement	\$15,166	\$15,166
Description	Type	Amount	CM Approved
4503-Parks Maintenance			
Lease Veh 11-Chevy Pickup Crewcab \$41,500 001-5-4503-71100 Vehicle	Replacement	\$41,500	\$46,500
Lease Veh 12-Ford F150 Pickup Reg Cab \$38,795 001-5-4503-71100 Vehicle	Replacement	\$38,795	\$43,795
Total General Fund 001 Approved Capital Outlay Requests		\$663,698	\$738,698

Mrs. Leticia Salinas, Accounting Manager, presented the Tourism Fund 002.

Tourism Fund 002: This fund is used to account for revenues and expenditures for tourism activities. Revenues are received from Hotel Motel Occupancy Taxes and Expenditures are spent

based on State guidelines. This fund has 6 funded positions for FY 26-27. This fund has a beginning fund balance for FY 25-26 of \$667,390.39. The EA Revenues are \$708,972.36 with EA Expenditures of \$651,452.87 with an estimated ending fund balance for FY 25-26 of \$724,909.86. Beginning fund balance for FY 26-27 is \$724,909.86 with DR Revenues at \$736,351.18 and DR Expenditures of \$787,661.97 leaving an ending balance for FY 26-27 of \$673,599.07. Budget comparison for this fund is the original budget in FY 25-26 of \$742,162.00; EA FY 25-26 of \$708,972.34; DR's for FY 26-27 of \$736,351.18 leaving a change in DR vs Org Budget of (\$5,810.82). Notable changes in the Tourism Fund: Personnel Services increased due to 3% COLA and increased health insurance premiums. Services increased due to changes in events, which include 2 kite festivals, crickets tournament, a monthly rodeo, and TAMUK volleyball tournament. The actual support for Ranch Hand will now be more monetarily rather than involvement. Advertising increased due to spending requirements based on revenues. Commissioner Lopez asked what is meant by saying that the support for Ranch Hand will now be more monetarily rather than involvement.

Mrs. Salinas responded that the King Ranch will be taking over this event with Tourism still having some involvement in it, but their brand is going to be the one to be taking over the King Ranch Breakfast.

Commissioner Lopez asked if they would only take over the breakfast part of the event.

Mr. Sosa responded that about three to four months ago they hired a Marketing Director, Mr. David Zucker, who used to be the Marketing Director for Omaha Steaks and Tyson. Mr. Zucker is more in vision to branding the King Ranch and so by branding the King Ranch they have tasked him with the duties of taking this event to another level. Mr. Zucker would like to brand the Running W, so upon doing the branding Mr. Zucker reached out to the city to see if the city would be interested in him coming in and taking care of the King Ranch Breakfast as well as the downtown events as well. They would like to bring in the National Bar-B-Que Association and have a Bar-B-Que event to change everything.

Commissioner Lopez stated that on a report that was received from Mr. Sosa, Tourism Department says that they were going to allow the vendors choose their spots and change the concert to the downtown area. Commissioner Lopez then asked if Mr. Sosa was communicating with the Tourism Department.

Mr. Sosa stated that he is, and there is a meeting this week on August 13th as they are coming down.

Commissioner Lopez asked who Mr. Sosa would be meeting with.

Mr. Sosa responded that the meeting will be with King Ranch and event planners that have been acquired by the King Ranch and paying for. The event planner is going to be mapping the downtown area where all the events will be held. They have several sponsors, such as Ford Motor Company and John Deere, and have more of a reach to get bigger vendors to bring in monetary donations for the event. For the city to get a concert together, the city has to pay a large amount in order to get a concert to come down.

Commissioner Lopez commented that this is all good, but the report from the City Manager to the City Commission stated that the outdoor concert was coming. She further stated that this just happened Friday and here we are talking about it on Monday that someone will be taking over.

Mr. Sosa stated that the city is collaborating with the King Ranch on all the different ideas, but the ideas come from the King Ranch.

Commissioner Lopez stated that what she is stating is that the communication does not sound like it's there, as the City Manager is saying one thing and his report is stating something else. She further asked if the city has budgeted it for it.

Mr. Sosa responded that this is why they are coming in this week to discuss this. He stated that normally the city spends about \$60,000 for the event and we hope that this will be the buy in for the Tourism Department. He further stated that the King Ranch will be in charge of bringing in the band for this event. The Tourism's responsibility will be when the vendors come in. The fee for vendors was increased from \$100 to \$150.

Commissioner Lopez stated that she thought the fee was \$50 to \$100. Mr. Sosa responded that he would need to go back and look at that.

Commissioner Hinojosa commented that the bottom line is that this will be good for Kingsville. Commissioner Lopez asked if the vendor fees would be coming to the city. Mr. Sosa responded yes. He further stated that there will be discussion on the vendor fees as there will be a non-profit organization that they would like to support. Lopez stated that she is aware that the city had a problem with calling it a non-profit, so now what is it going to be called, charity. What is it going to be called.

Mr. Sosa stated that they would like for some of the funds to go to a non-profit where 20% of the fees will go to a non-profit organization. The last time this was spoken of was to send it to the Boys & Girls Club, as they do most of the work in the community. This will more than likely be the non-profit that will be proposed to the city commission.

Commissioner Lopez commented that nothing against the Boys & Girls Club, but she thinks we need to be fair and have them apply, and whoever would like to be considered as well. She asked for Ms. Alvarez to get a contract and get with the non-profit. She stated that she is aware that they had worked on something the time before on non-profit and had something already in writing.

Mr. Sosa stated that this will not go through the city, it will go through the event planner that will be doing the event. They just asked for a recommendation and that's who we recommended.

Commissioner Lopez asked if the non-profit is going through the planner and the city has nothing to do with it.

Mr. Sosa responded that this was correct, as everything will go through the event planner that was hired by the King Ranch.

Mayor Fugate commented that the concept of the Ranch Hand is changing dramatically. The King Ranch is stepping in and they as opposed to the city will be running/operating the event, we're not. They are not only going to do it out on the King Ranch and will be doing it in town as well. Yes, if we were doing like we use too, then we are late, but we are not. He stated that Mr. Zucker has met with the University in having events at the Javelina stadium. The King Ranch wants to make this a national event.

Chief Blair commented that the Kingsville Police Department will be assisting in the planning process.

Commissioner Lopez commented that if she had this information before, then she wouldn't have had to ask so many questions. She further commented that she did not have any information on this. She further stated that we should not be saying that one non-profit over another one does more. This should not come from the city.

Mr. Sosa stated that it will come to the city commission for approval.

Commissioner Lopez stated that she would like to see an application process for this, just to be fair, as a statement has already been made that one is better than the others. She further commented that it should be cleared up and have it done through an application process.

MINUTES OF PREVIOUS MEETING(S)

None.

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, 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. Sosa gave a brief street update to the commission

Ms. Alvarez announced the upcoming special city commission meetings. August 11th, August 17th, and August 19, 2026. A regular commission meeting is scheduled for August 24, 2026.

IV. Public Comment on Agenda Items.³

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

Elizabeth Ramos, 615 Elizabeth, commented that this is something that has been on her mind since she set up trash services when she moved here. She commented that she would like to propose for the next fiscal year or to amend the budget at a later time to reduce residential trash pickup to one time per week. This will reduce fuel costs, maintenance needs and road damage. The public works staff can work on other useful goals if a reduction of labor occurs with less pickup days. The city can still pickup twice a week around holidays for example during Christmas and Thanksgiving, if needed. If people need more garbage roll-out bins for their trash or they are just extra trashy, they can add another roll-out bin to their residence for a one-time pickup as well. This would be an additional \$21.00 a month that would come out of their pocket. She commented that she spoke with the head of the Public Works Department and he gave her a guess estimate of how much each roll-out cost brand new to the city for each residential service roll-out bin, which is roughly \$55.00. In 2.62 months a residential will recoup the city cost for a new bin. She commented that she googled this and this is what the census is telling her that there are 7,000 detached single-family residential homes in the city. So if I wanted to low-ball, 30% of them opted for two bin roll-out a week the city would gain \$44,100.00 per month. In a year, that equals \$529,000 a year, and this is just a lowball estimate. Ramos further commented that she has never lived in a city that has twice a week pickup. She knows that the commission can implement this as it is a little weird to have two-day pickup, it just makes more sense to consolidate. The city will gain more money and billing and reduce costs. She commented that it will cause very little issue, if she is thinking about it there will be more trips to the dump on those days for residential pickup. She is pretty sure that the commission can talk with the head and find out what issues you would have with once a day pickup, but she believes it would be in the best interest for the City of Kingsville. She further commented that her main issue is the damage caused to road and trying to remember which days she needs to think about pulling her trash out and she would really like for it to be only one day a week.

Ms. Vicki Trevino, 1814 Brahma Blvd, commented on the Coastal Bend College (CBC) highlights. Coastal Bend College has 295 students enrolled. Staff has been busy assisting with admissions. Cougar has been reconnecting with students who left college before they finished. Community partners are one of CBC's strengths. CBC is currently getting ready for the Fall semester at all its campuses. Ms. Trevino further thanked the City of Kingsville for its support.

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.⁴

1. Discuss and consider approving a resolution authorizing the Mayor to execute an Agreement for a Local On-System Improvements Project with the Texas Department of Transportation relating to South 6th Street stormwater improvements. (City Engineer).

Mr. Martin Medrano from ICE Engineering stated that this is a standard agreement for the S. 6th Street stormwater improvement project.

Motion made by Commissioner Alarcon to approve the resolution authorizing the Mayor to execute an Agreement for a Local On-System Improvements Project with the Texas Department of Transportation relating to South 6th Street stormwater improvements, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

2. Discuss and consider approving a resolution authorizing the City Manager to execute Change Order No. 1 for the construction contract with D & M Underground Corp. for the GLO CDBG-MIT Contract 22-085-009-D237 Project 1: E. Santa Gertrudis St. (near Fairview) stormwater improvements project. (City Engineer).

Mr. Medrano stated that this is to increase the contract by \$6,950 for RCP Tie-in and removal of the existing junction box.

Motion made by Commissioner Lopez to approve the resolution authorizing the City Manager to execute Change Order No. 1 for the construction contract with D & M Underground Corp. for the GLO CDBG-MIT Contract 22-085-009-D237 Project 1: E. Santa Gertrudis St. (near Fairview) stormwater improvements project, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

3. Discuss and consider approving a resolution authorizing the City Manager to execute Change Order #2 to the construction contract with Mor-Wil LLC for the GLO CDBG-MIT Contract 22-085-009-D237 Project 3: E. Caesar Ave. stormwater improvements. (City Engineer).

Mr. Medrano stated that this change order addresses unforeseen issues during construction, including delayed material delivery and uncooperative weather conditions. The time extension is for 60 calendar days.

Commissioner Lopez commented that she sees some cleanup going on and getting it ready for opening.

Motion made by Commissioner Alvarez to approve the resolution authorizing the City Manager to execute Change Order #2 to the construction contract with Mor-Wil LLC for the GLO CDBG-MIT Contract 22-085-009-D237 Project 3: E. Caesar Ave. stormwater improvements, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Hinojosa, Alarcon, Lopez, Alvarez, Fugate voting "FOR".

4. Discuss and consider approving a resolution authorizing the City Manager to execute Change Order #3 to the Construction Contract with Mor-Wil LLC for the GLO CDBG-MIT Contract 22-085-009-D237 Project 5: E. Caesar Ave. Storm Water Improvements Project. (City Engineer).

Mr. Medrano stated that this item is similar to the one above, requesting an extension of 60 calendar days.

Motion made by Commissioner Alarcon to approve the resolution authorizing the City Manager to execute Change Order #3 to the Construction Contract with Mor-Wil LLC for the GLO CDBG-MIT Contract 22-085-009-D237 Project 5: E. Caesar Ave. Storm Water Improvements Project, seconded by Commissioner Lopez. The motion was passed and approved by the following vote: Alarcon, Lopez, Alvarez, Hinojosa, Fugate voting "FOR".

5. Discuss and consider approving a resolution authorizing the City Manager to execute Change Order #4 for the Construction Contract with Grace Paving and Construction, Inc. for the GLO CDBG-MIT Contract 22-085-099-D237 Project 14: Santa Gertrudis Ave. Storm Water Improvements Project. (Santa Monica/Santa Barbara). (City Engineer).

Mr. Medrano stated that this is for time extension of 30 calendar days.

Motion made by Commissioner Lopez to approve the resolution authorizing the City Manager to execute Change Order #4 for the Construction Contract with Grace Paving and Construction, Inc. for the GLO CDBG-MIT Contract 22-085-099-D237 Project 14: Santa Gertrudis Ave. Storm Water Improvements Project. (Santa Monica/Santa Barbara), seconded by Commissioner Alarcon. The motion was passed and approved by the following vote: Lopez, Alvarez, Hinojosa, Alarcon, Fugate voting "FOR".

6. Discuss and consider the introduction of an ordinance amending the Fiscal Year 2025-2026 Budget to appropriate additional funding for Health Department chemicals. (Health Director).

Mr. Sosa stated that due to the rain we have received earlier this year, the Health Department used the remaining budgeted funding for chemicals allocated for mosquito spraying, therefore requiring this budget amendment for \$5,000.
Introduction item.

7. Discuss and consider approving a resolution authorizing the City Manager to execute an Information Document Request with the IRS and designating employees authorized to work with the IRS on behalf of the City of Kingsville. (Finance Director).

Mrs. Balli stated that the City has received an Information Document Request from the Internal Revenue Service (IRS) which includes completing a form to provide the names of the individuals who have been authorized to work with the IRS during an examination and who have the authority to sign legal documents on behalf of the City of Kingsville. The Finance Department is requesting the following positions to be designated authorized to work with the IRS, Payroll Specialist, Accounting Manager, Finance Director, and City Manager.

Motion made by Commissioner Alarcon to approve the resolution authorizing the City Manager to execute an Information Document Request with the IRS and designating employees authorized to work with the IRS on behalf of the City of Kingsville, seconded by Commissioner Alvarez. The motion was passed and approved by the following vote: Alvarez, Hinojosa, Alarcon, Lopez, Fugate voting "FOR".

8. Workshop: Discussion on proposed Fiscal Year 26-27 Budget and funds for the City of Kingsville. (City Manager).

Staff continued with the budget workshop.

Maintenance increased due to a Sidewalk project from TA truck stop to the Dog Park. Transfers Out increased due to a correction of the cell phone reimbursement. New events: Focus on events in FY 26-27 will center around partnerships with other entities; the city will provide support for (2) kite festivals partnering with Parks; the city will provide support for the Cricket Tournament and monthly rodeos partnering with the County; the city will provide support for the Volleyball Tournament partnering with TAMUK; Ranch Hand, the King Ranch will be revamping this event and has hired an outside event planning company. Support from the City will be more on the monetary side rather than the planning side. Staff changes: the permanent Tourism Director has not been hired yet.

Mrs. Deborah Balli, Finance Director, presented the PD State Seizure Fund 005. This fund is used to account for revenues and expenditures resulting from state seizure awards. From PD State Seizure Fund 005 Audited Balance Sheet for period ending September 30, 2025: Total equity and current surplus \$1,310,206.89. Non-Spendable Equity inventory \$0.00 and non-spendable equity prepaids \$0.00. Restricted law enforcement fund balance for FY 25-26 beginning fund balance is \$1,310,206.89. PD State Seizure Fund 005 Fund Balance is: Revenue budget comparison total revenues for original budget FY 25-26 is \$73,074.51 with EA's at \$134,330.19 and DR's at \$134,330.19; DR's for FY 26-27 are at \$73,074.51. PD Stated Seizure Fund 005 Expenditures Budget Comparison, total expenditures for FY 25-26 is \$304,446.46; EA's \$254,446.46 and DR's for 26-27 at \$398,686.79. Services increased due to new software for antivirus, firewalls and a new & blue software form AD Comp which is split funded with GF. Capital Outlay decreased by \$30,000 for next year due to the current year had a vehicle budgeted for purchase along with gun storage unit and next FY 26-27 is being used for outfitting 2 detective vehicles and the purchase of a conex box for the range.

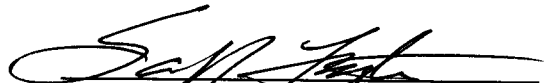
Law Enforce Off Stand Fund 009: This fund is used to record the annual allocation payment from the Law Enforcement Officer Standards and Education (LEOSE). This payment must be used as necessary to ensure the continuing education of law enforcement personnel, or to provide necessary training, as determined by the agency head, to full-time, fully paid law enforcement support personnel. This fund is used to send officers to the academy and then offset with the reimbursements from the government. Audited beginning Fund Balance for FY 25-26, total equity and current surplus is \$24,260.28 with Non-Spendable equity inventory and non-spendable equity prepaids at \$0.00 with unreserved fund balance FY 25-26 beginning fund balance of \$24,260.28. Beginning fund balance FY 25-26 is \$24,260.28. EA revenues are \$20,631.25 and EA expenditures are \$20,631.25 leaving an estimated ending fund balance for FY 25-26 of \$24,260.28. Beginning fund balance for FY 26-27 is \$24,260.28 with DR revenues and expenditures at \$14,000.00. Estimated ending fund balance for FY 26-27 is 24,260.28.

G.O. Debt Service Fund 011: This fund is used to account for the payment of General Fund and Solid Waste Fund debt service. Revenues are generated from the I & S portion of the Ad Valorem Taxes and a transfer from the Solid Waste Fund. The following are the bond series that are paid out of this fund: CO Series 2024-Fire – 100% GF; CO Series 2023A – 100% GF; Tax Note 2022 – 35.04% GF, 31.01% SW; LTRF 2021 – 21% GF; Tax Note 2021 – 42.38% GF, 57.62% SW; LTRF 2020 – 53.8504 GF; CO Series 2016 – 100% GF. Ad Valorem Taxes revenues will bring enough to pay current debt service. The difference collected comes from delinquent taxes collected and penalty and interest. Services decreased by \$80,000 due to no indication that arbitrage will be owed for FY 26-27. The increase in leases are the increase in debt service obligations due in FY 26-27.

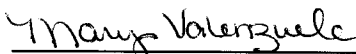
UF Debt Service Fund 012: This fund is used to account for payments on the utility fund debt service. Revenues are generated by transfers-in from the Utility Fund 051 and the Storm Water Drainage Fund 055. Expenditures are the debt-related principal and interest payments along with paying agent fees and other debt-related requirements. The following are the bond series that are paid out of this fund: CO Series 2023 – 100% UF; Tax Note 2022 – 33.95%; CO Series 2022 – 100% UF (paid by SW Fund 055); CO Series 2021 – 100% UF (paid by SW Fund 055); LTRF 2021 – 79% UF; LTRF 2020 – 46.1496%. Beginning fund balance total assets \$2,366,875.18. Less loss on refunding is (\$27,601.15), and less accrued interest payable is (\$60,450.21). Unrestricted fund balance for FY 25-26 beginning fund balance is \$2,278,823.82. This fund requires fund balance to be calculated differently due to how debt issues have to be recorded. Fee increases for FY 26-27. We intend to do a rate study on all fees collected by the General Fund to determine if the fees being charged are in line with other cities of our size. Included in this study will be the following fees: Permits – Building, Plumbing, Electrical, Vacant Lot Clearance Demos, Noxious Matter; Landfill; Garbage; Ambulance Services; Health Fees – Adoptions, Septic Tank Inspections; Park Fees. This type of study has not been completed in the past and is overdue. We will be working on getting a proposal from HDR Engineering, who does work for us on our utility rates. This rate study has not been included in the proposed budget as we are working on determining what fees we will be submitting for review.

VI. Adjournment.

As there was no further business to come before the City Commission, the meeting was adjourned at 5:40 p.m.


Sam R. Fugate, Mayor

ATTEST:


Mary Valenzuela, TRMC, CMC, City Secretary