



**City Council Regular Meeting Agenda
Tuesday, September 15, 2026 7:00 PM
Kyle City Hall, Council Chambers,
100 W. Center Street, Kyle, TX 78640**

I. Call Meeting to Order, Roll Call, and Excuse Absences

II. Approval of Minutes

1. Consider approval of City Council meeting minutes:
 - A. August 27, 2026 Special
 - B. September 1, 2026 Special
 - C. September 1, 2026 Regular(Item Presenter: Jennifer Kirkland, TRMC, City Secretary)
[Exhibit 1 - 2026 0827 Draft Special](#)
[Exhibit 2 - 2026 0901 Draft Special](#)
[Exhibit 3 - 2026 0901 Draft Regular](#)

III. Citizen Comment Period with City Council

The City Council welcomes comments from Citizens early in the agenda of City Council meetings. Those wishing to speak are encouraged to sign in before the meeting begins. Speakers will be provided with an opportunity to speak during this time period on any agenda item or any other matter concerning city business, and we ask they observe the three-minute time limit.

IV. Agenda Order

2. Agenda Order per Rules of Council Sec. B1.
(Item Presenter: Yvonne Flores-Cale, Mayor)

V. Recognitions

3. Special Recognition of the Kyle Police Department Forensic Investigators as part of National Forensic Science Week, September 14-20, 2026.
(Item Presenter: Jeff Barnett, Chief of Police)

VI. Consent Agenda

4. Consider approval of a Resolution of the City Council of the City of Kyle, Texas reappointing Patricia Palacios to Seat 4 and appointing Amanda Villarreal Salvo to Seat 2 of the Board of Adjustment, each for two-year terms expiring September 2028; and declaring an effective date.
(Item Presenter: Jason Lutz, Interim Director of Planning)
[Exhibit 1 - Staff Memo](#)
[Exhibit 2 - Presentation](#)
[Exhibit 3 - Resolution](#)

5. Consider approval of a Resolution to record the annual review of the City's Investment Policy as required under the Public Funds Investment Act (PFIA) and to document findings that no significant changes to the policy or to the investment strategies are necessary in the 2026 review.

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Resolution](#)

[Exhibit 4 - Investment Policy 9-15-2026](#)

VII. Items Pulled from Consent Agenda

VIII. Consider and Possible Action

6. Consider approval of a Resolution regarding a request by Denecia Clark for exceptions from Chapter 41 (Subdivisions) of the City's Code of Ordinances related to minimum width at the front property line (Chapter 41, Article V, Sec. 136 (a)(2)), access requirements (Chapter 41, Article V, Sec. 136 (a)(3)), and lot depth to average width ratio (Chapter 41, Article V, Sec. 136 (c)), for the proposed final plat of a property located at approximately 1776 Satterwhite Road in the City of Kyle Extraterritorial Jurisdiction. (VR-25-0011)

The Planning & Zoning Commission voted 4-0 to recommend approval on 8/25/2026.

- Public Hearing

(Item Presenter: Anjali Naini, Senior Planner)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Resolution](#)

[Exhibit 4 - Variance Letter](#)

[Exhibit 5 - Plat](#)

7. Consider approval of a Resolution regarding a request by Albino and Olga Lopez for an exception from Chapter 41 (Subdivisions) of the City's Code of Ordinances related to minimum lot size for lots served by on-site septic (Chapter 41, Sec. 41-136(a)(1)), for the proposed replat of a property located at 706 Green Pastures Drive in the City of Kyle Extraterritorial Jurisdiction. (VR-26-0016)

The Planning & Zoning Commission voted 4-0 to recommend approval on 8/25/2026.

- Public Hearing

(Item Presenter: Anjali Naini, Senior Planner)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Resolution](#)

[Exhibit 4 - Variance Request Letter](#)

[Exhibit 5 - Engineer Summary Letter](#)

[Exhibit 6 - Plat](#)

8. Consider approval of a Resolution authorizing Amendment No. 2 to the Blanco River Ranch (Phase One Residential Area) De-annexation and Development Agreement with HM BRR Development, Inc. and HM 6 Creeks Development, Inc.

(Item Presenter: Aimee Alcorn-Reed, City Attorney)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)
[Exhibit 3 - Resolution](#)
[Exhibit 4 - Amendment](#)

9. Consider approval of a Resolution: (1) accepting the Settlement Points and Term Sheet as negotiated by the Interim City Manager with Messrs. Larry Gawlik and Victor Aellen, the two named petitioners and residents of the 6 Creeks development in the rate appeal proceeding before the Texas Public Utility Commission Docket No. 58988, (2) to resolve and secure withdrawal of their appeal challenging the City's application of outside-City water and wastewater service rates, and (3) directing the City Attorney to prepare and bring forward for the City Council's consideration and approval at its September 24, 2026 meeting, an Agreement to memorialize and codify the terms and provisions set forth in the agreed upon Settlement Points & Term Sheet as attached to this agenda item.

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Settlement Points & Term Sheet for Withdrawal of Rate Appeal Petition 8-28-2026](#)

10. Conduct a public hearing to obtain comments on the City of Kyle's Proposed Budget for Fiscal Year 2026-27 totaling \$437,639,029, as amended by the City Council in the total amount of \$2,942,349 in increased operating and capital expenditures. The amended proposed budget includes a proposed property tax rate of \$0.5600 per \$100/taxable valuation, a reduction of \$0.0357 per \$100 or 5.99%, no increase for water service rates, no increase for wastewater service rates, no increase for storm drainage fees, a 2.5% increase for solid waste services (trash collection), all other fees and charges for various city services as provided for in the fee schedule, capital improvement plan expenditures, and the deletion of eleven (11.0) full-time equivalent positions for a net total of 460.0 proposed positions.

(RELATED AGENDA ITEM 1 OF 5)

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Amendments to Proposed Budget for FY 2026-27 Approved by City Council on 9-5-2026](#)

[Exhibit 4 - Amendments to Proposed Budget for FY 2026-27 Approved by City Council on 8-27-2026](#)

[Exhibit 5 - Interim City Manager's Budget Transmittal 7-28-2026](#)

[Exhibit 6 - Budget Presentation for FY 2026-27 8-1-2026](#)

[Exhibit 7 - Interim City Manager's Proposed Budget for FY 2026-27 8-1-2026 2](#)

[Exhibit 8 - Notice of Meeting to Vote on Tax Rate 9-2-2026](#)

[Exhibit 9 - Notice About 2026 Tax Rates 8-26-2026](#)

[Exhibit 10 - Notice of City Council Meetings to Consider Adoption of Budget & Tax Rates for FY 2026-27 8-5-2026](#)

[Exhibit 11 - 2026 Taxpayer Impact Statement](#)

[Exhibit 12 - List of Encumbrances Rollover From FY 2026 to FY 2027](#)

11. Conduct a public hearing to obtain comments on the proposal to adopt the City of Kyle's ad valorem tax rate (property tax rate) at \$0.5600 per \$100 of taxable assessed valuation for Tax Year 2026 and Fiscal Year 2026-27. This is a \$0.0357 per \$100 of taxable assessed valuation or 5.99% reduction from the current adopted tax rate of \$0.5957 per \$100 of taxable assessed valuation.

(RELATED AGENDA ITEM 2 OF 5)

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - 2026 Certified Property Tax Rate Calculation Worksheet 8-12-2026](#)

[Exhibit 4 - Notice on Meeting to Vote on Tax Rate 9-2-2026](#)

[Exhibit 5 - Notice About 2026 Tax Rates 8-26-2026](#)

[Exhibit 6 - Notice of Council Meetings on Adoption of Budget & Tax Rates for FY 2026-27 8-5-2026](#)

[Exhibit 7 - 2026 Taxpayer Impact Statement](#)

12. *(Second Reading)* Consider approval of an Ordinance adopting the annual budget totaling \$437,639,029, as amended by the City Council, for the ensuing fiscal year beginning October 1, 2026 and ending September 30, 2027; appropriating revenue and expenditure amounts thereof for city funds, authorizing no rate increase for water service rates, no rate increase for wastewater service rates, no increase in storm drainage fees, a 2.5% increase in solid waste service charges, all other fees and charges for various city services as provided for in the fee schedule, capital improvement plan expenditures, elimination of eleven (11) full-time positions for a net total of 460.0 positions, and authorizing for the carryover of encumbrances, all associated schedules and documents; and repealing all Ordinances in conflict herewith; and providing for an effective date.

(RELATED AGENDA ITEM 3 OF 5 & ROLL CALL VOTE IS REQUESTED)

The City Council voted 7-0 to approve on first reading on 9/5/2026.

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Presentation](#)

[Exhibit 2 - Amendments to Proposed Budget for FY 2026-27 Approved by City Council on 9-5-2026](#)

[Exhibit 3 - Amendments to Proposed Budget for FY 2026-27 Approved by City Council on 8-27-2026](#)

[Exhibit 4 - Information Requested by CM Zapata for Consideration of Budget Amendment to Pay A One-Time \\$1,800 Rest & Recognition Payment to All Civilian City Employees in FY 2026-27](#)

[Exhibit 5 - Information Requested by CM Harris for Consideration of Budget Amendment to Pay A 3.0% General Wage Increase to All Civilian Non-Management City Employees in FY 2026-27](#)

[Exhibit 6 - Interim City Manager's Budget Transmittal to City Council 7-28-2026](#)

[Exhibit 7 - Budget Presentation FY 2026-27 8-1-2026](#)

[Exhibit 8 - Interim City Manager's Proposed Budget for FY 2026-27 7-28-2026](#)

[Exhibit 9 - Ordinance](#)

[Exhibit 10 - Notice of Meeting to Vote on Tax Rate 9-2-2026](#)

[Exhibit 11 - Notice About 2026 Tax Rates 8-26-2026](#)

[Exhibit 12 - Notice of City Council Meetings on Adoption of Budget & Property Tax](#)

[Rates for FY 2026-27 8-5-2026](#)

[Exhibit 13 - 2026 Taxpayer Impact Statement](#)

[Exhibit 14 - List of Encumbrances Rollover From FY 2026 to FY 2027](#)

13. *(Second Reading)* Consider approval of an Ordinance of the City of Kyle adopting the ad valorem tax rate (property tax rate) of \$0.5600 per \$100 of taxable assessed valuation for Tax Year 2026 or Fiscal Year 2026-27, which consists of a maintenance and operations (M&O) tax rate of \$0.3687 per \$100 of taxable assessed valuation and an interest and sinking (I&S) tax rate of \$0.1913 per \$100 of taxable assessed valuation, each of which is separately approved; providing for the levy of ad valorem taxes for use and support of the municipal government of the City of Kyle for the Fiscal Year 2026-27 beginning October 1, 2026 and ending September 30, 2026; providing for apportioning each tax levy for specific purposes; providing when ad valorem taxes shall become due and when same shall become delinquent if not paid.

(RELATED AGENDA ITEM 4 OF 5 & ROLL CALL VOTE IS REQUESTED)

The City Council voted 6-1 to approve on first reading on 9/5/2026.

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 2 - Staff Memo to City Council on Property Tax Rates for FY 2026-27 8-27-2026](#)

[Exhibit 3 - Presentation on Property Tax Rate Information Provided to City Council on 8-27-2026](#)

[Exhibit 4 - Staff Memo to City Council on Property Tax Rates for FY 2026-27 8-13-2026](#)

[Exhibit 5 - Presentation on Property Tax Rate Information Provided to City Council on 8-13-2026](#)

[Exhibit 6 - Ordinance](#)

[Exhibit 7 - 2026 Certified Property Tax Rate Calculation Worksheet 8-12-2026](#)

[Exhibit 8 - Notice on Meeting to Vote on Tax Rate 9-2-2026](#)

[Exhibit 9 - Notice About 2026 Tax Rates 8-26-2026](#)

[Exhibit 10 - Notice of City Council Meetings on Adoption of Budget & Tax Rates for FY 2026-27 8-5-2026](#)

[Exhibit 11 - 2026 Taxpayer Impact Statement](#)

14. *(Second Reading)* Consider approval of an Ordinance ratifying the ad valorem tax revenues (property taxes) reflected in the budget for Fiscal Year 2026-27 which will raise slightly more revenue from ad valorem taxes (property taxes) than in the prior Fiscal Year 2025-26.

(RELATED AGENDA ITEM 5 OF 5 & ROLL CALL VOTE IS REQUESTED)

The City Council voted 6-1 to approve on first reading on 9/5/2026.

(Item Presenter: Perwez A. Moheet, CPA, Interim City Manager & Director of Finance)

[Exhibit 1 - Staff Memo](#)

[Exhibit 2 - Presentation](#)

[Exhibit 3 - Ordinance](#)

[Exhibit 4 - 2026 Certified Property Tax Rate Calculation Worksheet 8-12-2026](#)

[Exhibit 5 - 2026 Taxpayer Impact Statement](#)

15. *(First Reading)* Consider approval of an ordinance (Budget Amendment #5) amending the City's approved budget for FY 2025-2026 by increasing total appropriations in an amount not to exceed \$52,000 from the City's General Fund balance for services related to investigation action into the City's road bond program, pursuant to the City Council's September 1, 2026 approval of an amendment to the engagement letter with TXLAW, P.C., dba PNT Law Firm.
(Item Presenter: Holly Holt-Torres, Assistant Director of Finance)
[Exhibit 1 - Staff Memo](#)
[Exhibit 2 - Ordinance](#)
[Exhibit 3 - September 1, 2026 Council Agenda](#)
16. *(First Reading)* Consider approval of an Ordinance (Budget Amendment #6) amending the City's approved budget for FY 2025-2026 by increasing total appropriations in an amount not to exceed \$100,000 from the City's Water Utility Fund balance and the City's Wastewater Utilities Fund balance for legal services related to PUC Docket No. 58988, pursuant to the City Council's September 1, 2026 approval of an amendment to the engagement letter with Lloyd Gosselink Rochelle & Townsend, P.C, for a total contract amount not to exceed \$300,000.00.
(Item Presenter: Holly Holt-Torres, Assistant Director of Finance)
[Exhibit 1 - Staff Memo](#)
[Exhibit 2 - Ordinance](#)
[Exhibit 3 - September 1, 2026 Council Agenda](#)

IX. City Council Items

17. Consider and possible action to direct the Interim City Manager to bring forward the appropriate resolution and/or ordinance necessary to amend the City of Kyle's outside-city water rates, establishing such rates at no more than thirty percent (30%) above the corresponding inside-city water rates.
(Item Presenter: Courtney Goza, Council Member)

X. Executive Session

18. Pursuant to Chapter 551, Texas Government Code, the City Council reserves the right to convene into Executive Session(s) from time to time as deemed necessary during this meeting. The City Council may convene into Executive Session pursuant to any lawful exception contained in Chapter 551 of the Texas Government Code including any or all of the following topics.
 - a. **Executive session pursuant to Texas Government Code §551.071, and Texas Disciplinary Rules 1.05 and pursuant to Texas Government Code §551.072** to:
 - i. Consult with the City Attorney and the City's outside property acquisition attorney (Kent A. Sick) concerning legal issues related to the acquisition of property for transportation improvements and related infrastructure, including, but not limited to the City's road bond projects and water and wastewater utility infrastructure; and
 - ii. Discuss the possible purchase, exchange, lease, or value of real estate related to same.

19. Take action on items discussed in Executive Session.

XI. Adjourn

One or more members of the board may participate in the meeting by videoconference pursuant to Section 551.127, Texas Government Code, provided that a quorum of the board will be present at Kyle City Hall.

Posted this 9th day of September, 2026, prior to 6:45 p.m.

At any time during the City Council meeting, the City Council may elect to go into an Executive Session to discuss any item on the agenda for which state law authorizes an Executive Session to be held. If the City Council elects to go into an Executive Session regarding an agenda item, the presiding officer will first announce the section of the law authorizing a closed meeting. The description of an item in Executive Sessions constitutes the written interpretation by the City Attorney of Chapter 551 of the Texas Government Code and the legal opinion of the City Attorney that said item may be discussed in a closed meeting.

Under the Americans with Disabilities Act, an individual with a disability must have equal opportunity for effective communication and participation in public meetings. Kyle City Hall is wheelchair accessible. Individuals who require auxiliary aids, interpretive services, and/or other services for this meeting should submit a request at <https://forms.cityofkyle.gov/Public-Meetings-ADA-Accommodation-Request-Form> or call (512) 262-1010, 48 hours in advance of the meeting.