



MINUTES

City of Taft City Council Regular Meeting
Tuesday August 11, 2026, at 6:30 p.m.
Taft City Hall
230 Green Avenue, Taft, TX 78390

1. Call to order was at 6:30 p.m.
2. The roll call was called and all members were present
3. Pledge of allegiance and Texas pledge was done
4. Invocation was given by Pastor Steve
5. Proclamations, presentations, council and staff announcements: Councilwoman Lopez just wanted to thank Scott and the staff for getting things in order. They are beginning to see the light at the end of the tunnel. Thank you for doing a great job. Mayor Pro Tem Cruz just wanted to remind everyone that next Monday is the day for the free clinic that will be there at Alvarado Street, they will be there from 10 am till 2 pm. They will see anyone between the ages of 10 and 64. Councilman Molina just stated that school will be in session and to be careful as students are returning back to school. Mayor Castillo stated that she wanted to thank the staff from the Chamber of Commerce for the market days and for helping with the garage sale. There are people that are interested in continuing the garage sales. She wanted to thank Scott for all the hard work that he is doing and for keeping the council informed.
6. Citizens Communications: None
7. Consent Agenda: None
8. Staff Reports and other Discussion Items:
 - 8.1 City Manager, Scott Albert, stated that this report is not an all-inclusive of everything that is taking place. This report will be attached to the minutes as well. This will always be a part of the open records.
 - 8.2 Police Department, Chief Massey stated that during the month of July 2026 the Taft Police Department recorded a total of 538 events. Officers issued 280 citations involving 135 citation violations. Activity remained steady across all shifts, with the highest volume of calls occurring during daytime and early evening hours. The department continued to prioritize proactive policing, community service, traffic safety and support to partner agencies. The top call categories are as follows: security checks with 93 calls, follow-up investigations with 74 calls, animal shelter with 43 calls, other calls were 35 and ordinance violations were 34. The speed hump recommendation is to place 12 speed humps, with 7 at the High School and 5 at the Junior High. After doing research on the speed humps the best practice is for liability reasons. He does recommend finding a traffic engineer. The information from TML is without a traffic engineer doing it, the city could face liability if there is any damage to any vehicles. These installations are recommended to enhance student and pedestrian safety during arrival and dismissal periods. The department is prepared to coordinate with Public Works on placement, signage, and implementation upon council approval and funding authorization. It was suggested to have extra officers out patrolling around the school. The 18 wheelers are going down the side street, because its more convenient than staying on the main streets. It was suggested to put up signs to stop them from going down the side streets. There is some concern when there was an incident and no officer showed up to the incident. Chief Massey stated that there is always an officer on duty, since July. He will look into that incident. They are in the process of doing a makeover on the building of the police department. It will be power washed, will be doing something to the signage to make it look more professional. He

wants to change the logo on the patch. He wants to get the council's approval before he does it. It's something that is a little more modern that represents the city itself.

8.3 Public Works Department, Dave Fuzner. He was not present. Mayor Castillo read the report as follows: 2 men cutting grass daily, 2 men repairing and raising manholes, repairing water line and multiple meter leaks, 1 man working in the office for re reads and minor leaks, 3 men on meter reading, 1 man at wastewater plant maintenance and sampling. They had a preconstruction meeting on FM 631 pipe burst project, had bid opening for waterline project, and mechanic is working on equipment. They had grease problems at Agave Restaurant. They had 2 men installing new meters. They were cutting and cleaning at 413 McIntyre for the code enforcement. They cleaned shrubs at city hall and trimmed the trees, also created new handicap space at north end, and repainted existing handicap spaces in the parking area.

8.4 Library Report – Jessi Dixon. She was not present. Mayor Castillo read the read as follows: There was a total of 150 circulations. There was a total of 459 visits to the library. They have a lot of great events for the community. They are trying to raise funds currently, if anyone wants to purchase some books.

8.5 Allegiance EMS – Stephanie Newsom stated that she was not sure what it was that they wanted to include in the monthly report. She stated that there were total of 57 calls inside the city limits and 18 calls out in the county. For the month of June there was a total of 50 calls inside the city limits and 16 calls out in the county. For the month of July there was a total of 62 calls inside the city limits and 11 calls out in the county. Total for the quarter there was a total of 159 calls inside the city limits and 45 calls out in the county. The average response time for the month of May was 5 minutes, June was 6 minutes and July was 6 minutes. The average response time for the quarter was 5.6 minutes. The county average response time for the month of May was 16 minutes, June was 14 minutes and July was 17 minutes. The average response time for the quarter for out in the county was 15.6 minutes. There are different templates that can be used for the different reports. There is a lot of information on these reports. It was suggested that it doesn't need to be so detailed, maybe providing a report with less information would be sufficient. They are going to start gathering blankets, heaters and possibly jackets to provide for people that might need them. The city provides blankets to people too. It was suggested that they co-ordinate together so that they don't give out to the same people.

9. Action Items:

9.1 Motion was made by Councilman Molina and second by Mayor Pro Tem Cruz to approve the Special Call Meeting minutes of July 22, 2026, and the Regular Meeting minutes of July 28, 2026. Motion carried with four council members. Councilwoman Moreno abstained as she was not present.

9.2 Hector Castaneda, with Ardurra, stated this is for the water line improvements project. This goes in connection with the San Patricio Municipal Water District that goes to the water tank and from the water tank then goes to the elevated water tanks. Bids were received on July 17, 2026, for the above reference project. Thirteen bids were received, and the results are shown on the attached bid tabulation sheets. The low/best bidder on the project is Tejano Utilities, LLC, 725 Carby Road, Houston, Texas 77087 with a total base bid in the amount of \$1,438,170.00. They have reviewed the contractor's qualifications and bid documents, and it is their recommendation that the city award this project to Tejano Utilities LLC the total base bid amount of \$1,438,170.00. After some discussion motion was made by Councilman Molina and second by Mayor Pro Tem Cruz to award the City of Taft's GLO CDBG-MIT MOD (24-065-121-E963) water line improvements construction contract to Tejano Utilities, LLC for a total base bid in the amount of \$1,438,170.00 and execute the contract. Motion carried unanimously.

9.3 Hector Castaneda, with Ardurra, handed the council members cut sheets with pictures for 16-foot downtown streetlight pole. There are some recommendations for different types of lights for different types of streets. There are 30 lights that will be put on Green Avenue, starting at the library all the way south to US HWY 181. There is some concern about not knowing how much light each pole will provide. At this time the council will decide on a type only. Everyone seems to like the teardrop style, with the CAS or CSA 6 ft. roadway arms. No action taken at this time. It will be on August 25, 2026, council meeting for further discussion.

9.4 Chief Massey stated that the City of Taft animal shelter requires renovations to its existing kennel structures. The work includes extending the current kennels with additional runs, installing gates and slides for access, performing welding repairs on kennel doors, and adding fans for improved ventilation and animal welfare. Staff obtained three competitive quotes for the project. They are as follows: BSH Services - \$24,850.00, South Texas Renovations - \$15,000.00 and Burton Construction - \$14,000.00. The staff recommends approval of Burton Construction as the elected contractor for the animal shelter renovations in the amount of \$14,000.00. Burton Construction submitted the lowest responsive quote and provided a clear, line-item breakdown that directly addresses all identified needs (12 kennel slides/gate, welding repairs, and fans) while remaining under the other bids. After some discussion motion was made by Councilman Molina and second by Councilwoman Lopez to approve the award of a contract for renovations to the City of Taft animal shelter facility to Burton Construction in the amount of \$14,000.00. Motion carried unanimously.

9.5 After some discussion motion was made by Councilman Molina and second by Councilwoman Moreno to approve the "Notice of Election" to be held on November 3, 2026, for the City of Taft, Taft, Texas. Motion carried unanimously.

9.6 After some discussion motion was made by Councilman Molina and second by Councilwoman Lopez to approve Resolution No. 2026-013 ordering an election to be held in the City of Taft on November 3, 2026, for the election of: Alderman Ward 1 and Alderman Ward 2, authorizing an election service contract with San Patricio County Elections Administrator for the conduct of the elections. Motion carried unanimously.

9.7 Mayor Castillo stated that as of July 2026 the City of Taft was no longer getting the ¼ cent sales tax for the street maintenance. The city will put it on the ballot for the citizens to vote and see if the city can get the ¼ cent for the general fund. After some discussion motion was made by Councilman Molina and second by Councilwoman Lopez to approve Ordinance No. 2026-1401 of the City of Taft, Texas ordering a Special Election on the adopting of a local sales and use tax in the City of Taft, Texas at the rate of one and one-quarter percent (1.25%) making provision for the conduct of the election. Motion carried unanimously.

9.8 This item was discussed under the Police Department report by Chief Massey. No action taken.

10. EXECUTIVE SESSION: At this time Mayor, Council members, City Manager, City Secretary and City Attorney went into executive session. Time: 8:37 pm

City Council reconvened from executive sessions at: 9:03 pm

10.1 No action was taken

11. Action on Executive Session Items: No action was taken

12. Adjournment: Motion was made by Councilman Molina and second by Councilwoman Moreno that this meeting be adjourned. Motion carried unanimously.

Adjourned at 9:04 pm

Mayor, Elida Castillo

ATTEST:


Interim City Secretary, Jamie Martinez

Approved on: 9/8/2026

MEMORANDUM

Date: 08.11.26
To: Mayor & Council
From: Scott Albert
Subject: Weekley Report for Week 08.11.26

The following report is not intended to be an all-inclusive summary of activities.

Reconciliation of City Bank Accounts

All fourteen City bank accounts, with the exception of the General Fund, have now been reconciled through July 31, 2026.

There are still several older unreconciled items that will require adjusting entries from the auditor to properly clear them from the accounts. The auditor will also need to make several additional corrections as part of the overall financial cleanup process.

As part of the current review, we identified approximately 535 transactions appearing in the City's bank records that are not currently reflected in the City's general ledger (Incode) for the period from June 2023 through September 2025. These transactions will need to be further researched and addressed as part of the cleanup process. We are also researching several deposits reflected in the bank records to ensure they are properly accounted for in the general ledger. We identified approximately \$1,828,504 in deposits made between 2024 and 2025 at the bank but were never recorded in the City's general ledger.

During the reconciliation process, we identified several other transactions that had not previously been recorded in the accounting system, including certain debt payments. Those transactions have now been entered into and are properly reflected in the City's accounting records.

While additional work remains, particularly with respect to the historical transactions and necessary auditor adjustments, substantial progress has been made. From a bank reconciliation standpoint, the City's financial records are now in a significantly better position, and we are continuing to work through the remaining outstanding items.

City Loan Documents and Outstanding Debt

While preparing the FY 2026/27 budget, I was unable to locate the original loan documents for several of the City's outstanding debt obligations. As a result, I have essentially been piecing together the history of the City's debt by contacting the agencies that issued or financed the debt and reviewing various documents located in the City's files.

My objective is to develop a complete and accurate understanding of each outstanding debt obligation, including its original purpose, amount issued, interest rate, repayment schedule, maturity date, current outstanding balance, and the specific projects or equipment financed with the debt.

Below is a summary of the debt obligations I am currently researching and the information I have compiled to date.

2010 Texas Water Development Board Loan

Clean Water State Revolving Fund (CWSRF)

Loan No. L090063 / Project No. 72361

Original Commitment: \$5,780,000

Interest Rate: 0%

Maturity: 2042

The City of Taft received financing through the Texas Water Development Board (TWDB) for wastewater system improvements.

State records identify the project as "**New Clarifier & Collection Repair.**"

Based on the records located to date:

- **March 26, 2009:** TWDB committed approximately \$5.78 million to the City under Project No. 72361 / Loan No. L090063.
- **FY 2010–FY 2011:** Only a relatively small portion of the TWDB commitment appears to have been drawn during the early stages of the project.
- **September 30, 2011:** Records indicate cumulative TWDB debt drawn at that point was approximately \$202,892.

The next step is to contact TWDB and request the complete project administrative, engineering, construction, disbursement, and closeout file.

The complete file should allow us to determine the original engineer, contractor, engineering scope, plans and specifications, exact locations of the sewer collection system improvements, clarifier specifications, bids, change orders, pay applications, final project costs, construction records, and project closeout information.

At a minimum, I intend to obtain the following:

- March 26, 2009, TWDB commitment memorandum;
- Original TWDB financing application;
- Engineering contract and engineering scope;
- Construction plans and specifications;
- Contractor bids and award documents;
- Pay applications and TWDB disbursement records;
- Change orders, if applicable;
- Final project costs and closeout documents; and
- Original and current debt repayment schedules.

This information will allow us to reconstruct the history of the project and determine exactly what infrastructure was constructed or rehabilitated with the proceeds.

2010 Certificates of Obligation – \$1,000,000

The City also issued approximately \$1 million in Certificates of Obligation in connection with the 2010 wastewater improvements. The interest rate was approximately 5.4%, and this debt matured in 2025.

Based on the information located to date, the City financed approximately **\$6.78 million** for wastewater improvements during this period:

TWDB Financing: \$5,780,000

Certificates of Obligation: \$1,000,000

Total Financing: \$6,780,000

I am continuing to research the relationship between the \$1 million Certificate of Obligation issuance and the TWDB-financed project to determine specifically how the CO proceeds were used and whether they provided the City's required match, financed costs not eligible under the TWDB program, or funded additional wastewater improvements.

2022 Certificates of Obligation, Series 2022

Interest Rate: Approximately 4.78%

Maturity: 2037

The Certificates of Obligation were issued for the following purposes:

- Construction, repair, and improvements to City streets, including drainage, street lighting, sidewalks, and the purchase of related land and equipment;
- Construction and improvements to the City's water and wastewater systems;
- Acquisition and construction of a building to be used by the Fire Department;
- Improvements and equipment for City parks and buildings, including the purchase of land for City parks; and
- Payment of professional services associated with the projects.

The City does have a copy of the debt service schedule for these Certificates of Obligation, as well as the original ordinance authorizing issuance of the debt.

Additional research will be conducted to identify the actual expenditures from the bond proceeds so we can reconcile the purposes authorized in the ordinance with the projects and expenditures that were ultimately funded.

Taft Economic Development Corporation (EDC) Debt – Approximately \$374,000

I am continuing to research this obligation to identify the original loan documents, purpose of the debt, interest rate, repayment schedule, maturity date, and current outstanding balance.

2022 Sewer Jet Machine Loan

The City financed the purchase of a sewer jet machine for approximately **\$73,877**.

The financing provides for five annual payments of approximately **\$16,177**.

I am continuing to locate and review the original financing documents to confirm the interest rate, payment history, maturity date, and remaining balance.

Fire Truck Loan

The Fire Truck loan matures in **2031**.

Based on the debt schedule currently available, annual payments for 2027 through 2031 are approximately **\$40,657**, including principal and interest.

I am continuing to research the original financing documents, original purchase price, amount financed, interest rate, and current outstanding principal balance.

Utility Billing Meter Loan

Research is ongoing to locate the original financing documents and determine the original amount financed, purpose, interest rate, payment schedule, maturity date, and current outstanding balance.

Police Department Vehicle Loan

Research is ongoing to locate the original financing documents and determine the vehicles financed, original amount financed, interest rate, payment schedule, maturity date, and current outstanding balance.

Next Steps regarding the City's Debt

My goal is to develop a complete debt inventory for the City that identifies each obligation, the original purpose of the borrowing, the assets or infrastructure financed, the original amount borrowed, interest rate, annual debt service, maturity date, current outstanding principal, and funding source used to make the annual payments.

This information is important not only for preparation of the FY 2026/27 budget, but also for ensuring the City's accounting records accurately reflect all outstanding debt obligations and that future Mayor and Council members and City staff have a complete historical record of what was financed and why.

I will continue working through these records and will provide additional information as the documentation is located and verified.

Cross Point Development – Stripes & Vet Clinic.

This development has the potential to be a wonderful addition to the community. However, I am not confident that the appropriate level of due diligence has been conducted by the City to ensure that the project is not only successful for the developer, but also beneficial and sustainable for the City over the long term.

The economic benefits of any development project are obviously important, but they cannot be the sole factor driving the City's decision-making process. When immediate economic benefits become the primary focus, there is a risk that critical issues such as infrastructure, drainage, traffic, utilities, public safety, ongoing maintenance, and other long-term impacts may not receive the level of attention they require. If these matters are not thoroughly identified and addressed during the development and review process, the responsibility—and ultimately the financial burden—may fall on the City and its taxpayers in the future.

For a development to be truly economically beneficial and sustainable for the community, we must evaluate both its short-term benefits and its long-term impacts. An immediate economic benefit should not come at the expense of creating future infrastructure, operational, maintenance, or financial obligations for the City and its taxpayers.

For these reasons, I have recommended that the City retain an independent engineer to conduct a comprehensive review of this project and provide the Mayor, City Council, and staff with an objective professional assessment before the project proceeds further. An independent review will help ensure that potential issues are identified and addressed now, rather than becoming the City's responsibility after the development is completed.

My recommendation is not intended to discourage or delay development. Rather, it is intended to ensure that the City fulfills its responsibility to carefully evaluate the project, protect the public interest, and support development that will remain an asset to the community for many years to come.

Laydown Yard:

I have heard various discussions regarding a proposed laydown yard development in the City of Taft. Based on the information I have received, a business currently operating in Ingleside is considering relocating its storage operations to Taft. I also understand that the proposed facility will operate 24 hours a day, seven days a week.

In an effort to better understand the proposed project and conduct appropriate due diligence on behalf of the City and community, I reached out to the EDC Chairman approximately one week ago requesting the name of the business involved. Having this information would allow me to better understand the nature of the proposed operation, its existing activities in Ingleside, and the potential impacts associated with locating the facility in Taft. As of today, I have not received the requested information.

I have also been informed by the school district representative serving on the EDC Board that an easement may have been obtained to provide a route for children to walk through or adjacent to the proposed laydown yard on their way to and from school. If accurate, this arrangement needs to be carefully evaluated from a public safety standpoint, particularly if the proposed facility will involve frequent 18-wheelers and other heavy-truck traffic operating 24 hours a day.

Another area requiring careful review is drainage and floodplain management. I understand that the developer may be proposing to elevate several acres of property currently located within the floodplain. The City should closely evaluate the engineering and drainage impacts associated with this work, including whether elevating the property could displace floodwaters or otherwise affect surrounding properties, roadways, drainage infrastructure, or other areas of the community.

I have a number of questions regarding this project that need to be answered before the City can fully understand its potential impacts. These questions are not intended to discourage development. Rather, they are intended to ensure that the project is properly planned, reviewed, and designed so that it can be successful for both the developer and the community.

The sooner the City becomes actively involved in reviewing the proposed development, the better positioned we will be to identify and address potential issues before significant design or construction decisions are made. Early coordination and appropriate due diligence will ultimately benefit both the developer and the City

Closing:

I have many other topics and updates that I would have liked to share with you and the public this evening. However, I am currently limited in the amount of time I am able to devote to communications and, therefore, have not been able to address everything I would have liked to include in this report.