

**SPECIAL MEETING  
CITY OF KARNES CITY  
APRIL 7, 2026**

**STATE OF TEXAS)  
COUNTY OF KARNES)  
CITY OF KARNES CITY)**

On this 7<sup>th</sup> day of **April 2026**, the City Council of the City of Karnes City, Texas convened in a **Special Meeting** at **5:00 P.M.** in the City Hall with the following members answering to “Roll Call”:

Mayor: Leroy T. Skloss  
Mayor – Pro-Tem: Jimmy Loya  
Councilmembers: Helen Hernandez, Lesley Lewallen,  
and Donald Dziuk.

Councilmembers absent:

Others present were: City Manager/Secretary Veronica Butler and Chief of Police and Roel Salas, Bob Thonhoff, Hope Gutierrez, Steel Rosales, Alec Alexander, Melissa Wozniak, Trip Ruckman, and Tina Jones Radicke.

**4. Public Comments – No comments.**

**NEW BUSINESS – “CONSIDER AND ACT UPON”:**

- 5. Discuss, consider and possible action concerning award of a construction contract for the GLO CDBG-MIT MOD Grant #24-065-143-F002 – Karnes City Water System Improvements Project – Bob Thonhoff with WTC Engineering presented the recommended lowest bidder of Stampede Utility Construction, Kat Whitecotton with Langford went over grant budget. After further discussion, a motion was made by Councilmember Loya and seconded by Councilmember Dziuk to award the bid to Stampede Utility Construction with a base bid of \$1,693,173.00 and Alternate 3 bid of \$99,000.00 for a total of \$1,792,173.00. The vote was 4-0 in favor, and the motion was declared unanimously passed.**
  
- 6. Discuss, consider and take possible action on the request from Karnes County National Bank to host their 125<sup>th</sup> year celebration at the Karnes City Park on May 8, 2026 – Alec Alexander President and CEO of KCNB informed the council of the 125<sup>th</sup> year celebration, Melissa Wozniak went over all the proposed events, Trip Ruckman announced the artist. After further discussion, a motion was made by Councilmember Dziuk and seconded by Councilmember Lewallen to approve the Karnes County National Bank to host their 125<sup>th</sup> year celebrations at the Karnes City on May 8, 2026. The vote was 4-0 in favor, and the motion was declared unanimously passed.**

- 7. Discuss, consider and take possible action on the request from Karnes County National Bank to waive City Ordinance 97-19 and 2000-13 authorizing the sale of alcohol under a temporary event permit –** CM Butler informed the Council of the current ordinances. After further discussion, a motion was made by Councilmember Loya and seconded by Councilmember Hernandez to waive City Ordinances 97-19 and 2000-13 and authorize the sale of alcohol under a temporary event permit for the May 8, 2026, event. The vote was 4-0 in favor, and the motion was declared unanimously passed.
- 8. Discuss, consider and take possible action on the request from Karnes County National Bank to permit a firework display by Ordinance 2008-48 –** CM Butler informed the Council of the ordinance prohibiting fireworks. After further discussion, a motion was made by Councilmember Hernandez and seconded by Councilmember Dziuk to waive the City Ordinance 2008-48 and approve the permit for a firework display on May 8, 2026. The vote was 4-0 in favor, and the motion was declared unanimously passed.
- 9. Public Hearing regarding adoption of guidelines and criteria for tax abatement agreements entered into by the City –** Mayor Skloss opened the public hearing at 5:21 p.m. no comments, Mayor Skloss closed the public hearing at 5:22 p.m.
- 10. Discuss, consider and take possible action to adopt guidelines and criteria governing tax abatement agreements entered into by the City –** City Attorney Austin Beck went over the guidelines and criteria. After further discussion a motion was made by Councilmember Dziuk and seconded by Hernandez to approve Ordinance 2026-008 to adopt guidelines and criteria governing tax abatement agreements entered into by the City. The vote was 4-0 in favor, and the motion was declared unanimously passed.
- 11. Discuss, consider and take possible action to approve a Resolution stating that the City of Karnes City elects to become eligible to participate in tax abatement agreements –** Austin Beck informed the Council of the resolution. After further discussion a motion was made by Councilmember Hernandez and seconded by Councilmember Loya to approve the resolution stating that the City of Karnes City elects to become eligible to participate in tax abatement agreements. The vote was 4-0 in favor, and the motion was declared unanimously passed.
- 12. Public Hearing regarding proposal to designate a Tax Reinvestment Zone, to be known as “Karnes City Reinvestment Zone No.1,” that will be comprised of a 7.40-acre tract located South of the intersection of US 181 and CR 347**

**and assigned Parcel ID No. 105070 by the Karnes County Appraisal District**  
– Mayor Skloss opened the public hearing at 5:32 p.m., no comments. Mayor Skloss closed the public hearing at 5:33p.m.

**13. Discuss, consider and take possible action to adopt an ordinance designating a Reinvestment Zone under Chapter 311 of the Texas Tax Code, to be known as “Karnes City Reinvestment Zone No.1,” that shall be comprised of a 7.40 acre tract located South of the intersection of US 181 and CR 347 and assigned Parcel ID No. 105070 by the Karnes County Appraisal District, and create a board of directors for the Reinvestment Zone and appoint members to same** – Austin Beck presented the Ordinance. After further discussion, a motion was made by Councilmember Lewallen and seconded by Councilmember Hernandez to approve the Ordinance as presented. The vote was 4-0 in favor, and the motion was declared unanimously passed.

#### **14. CITY COUNCIL RECESS**

#### **15. *Sitting as Board of Directors for Karnes City Reinvestment Zone No. 1:***

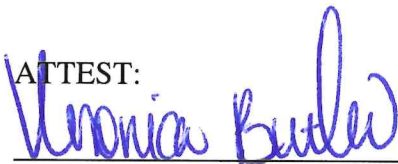
- 1. Call to order and establish quorum** –Jimmy Loya opened the meeting and established the quorum.
- 2. Consider and take possible action to appoint a presiding officer** - A motion was made by Jimmy Loya and seconded by Lesley Lewallen to appoint appointed Donnie Dziuk as presiding officer. The vote was 3-0 in favor, and the motion was declared unanimously passed. Donnie Dziuk abstained from voting.
- 3. Consider and take possible action to approve a proposed 10-year tax abatement agreement with Krishna Karnes Real Estate, L.L.C.** – A motion was made by Lesley Lewallen and seconded by Jimmy Loya to approve the proposed 10-year tax abatement agreement with Krishna Karnes Real Estate, LLC. The vote was 4-0 in favor, and the motion was declared unanimously passed.
- 4. Adjourn-** Meeting adjourned @ 5:45 pm.

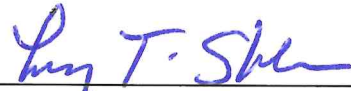
#### **16. RESUME AS CITY COUNCIL**

**17. Discuss, consider and take possible action to enter into a 10-year tax abatement agreement with Krishna Karnes Real Estate, L.L.C., for certain real property located within Karnes City Reinvestment Zone No.1. The agreement requires improvements be made to the property including construction of a gas station, retail space, restaurant space, and related improvements such as landscaping, parking, etc., which improvements are estimated to cost \$5,100,000.00 USD** – Austin Beck presented the tax abatement agreement. After further discussion a motion was made by Councilmember Dziuk and seconded by Councilmember Lewallen to enter into a 10-year tax abatement agreement with Krishna Karnes Real Estate, L.L.C., for certain real property located within Karnes City Reinvestment Zone No.1. The agreement

requires improvements be made to the property including construction of a gas station, retail space, restaurant space, and related improvements such as landscaping, parking, etc., which improvements are estimated to cost \$5,100,000.00 USD. The vote was 4-0 in favor, and the motion was declared unanimously passed.

**18. Adjournment** - There being no further discussion, a motion was made by Councilmember Hernandez and seconded by Councilmember Dziuk to adjourn the meeting. The vote was 4-0 in favor, and the motion was declared unanimously passed.

ATTEST:  
  
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Veronica Butler  
City Manager/Secretary

  
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Leroy T. Skloss  
Mayor

