

**LOCKHART CITY COUNCIL  
REGULAR MEETING**

**AUGUST 21, 2018**

**6:30 P.M.**

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3<sup>rd</sup> FLOOR,  
LOCKHART, TEXAS**

**Council present:**

Mayor Pro-Tem Angie Gonzales-Sanchez  
Councilmember Juan Mendoza  
Councilmember Jeffry Michelson

Mayor Lew White  
Councilmember John Castillo  
Councilmember Kara McGregor  
Councilmember Brad Westmoreland

**Staff present:**

Vance Rodgers, City Manager  
Peter Gruning, City Attorney  
Rob Tobias, Economic Development Director

Connie Constancio, City Secretary  
Jeff Hinson, Finance Director  
Bertha Martinez, Library Director

**Citizens/Visitors Addressing the Council:** John Kinzer and Kevin Cate of Visionary Fiber Technologies; and, Darrell Nichols of the Guadalupe-Blanco River Authority.

**Work Session 6:30 p.m.**

Mayor White opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

**DISCUSSION ONLY**

**A. DISCUSS RESOLUTION 2018-12 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF VISIONARY FIBER TECHNOLOGIES (PROJECT OKLAHOMA) IN AN AMOUNT NOT TO EXCEED \$427,500 BASED ON A \$6.75 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 70 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$75,000 AND A CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH VISIONARY FIBER TECHNOLOGIES (PROJECT OKLAHOMA) WHICH REFLECTS A PROJECT INVESTMENT OF \$6.75 MILLION CAPITAL INVESTMENT IN THE PROJECT WITH A MINIMUM OF 70 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$75,000 TO BE CREATED OVER A FIVE (5) YEAR PERIOD AND RETAINED FOR THE ENSUING FIVE (5) YEAR PERIOD.**

Mr. Tobias stated that the Lockhart Economic Development Corporation (LEDC) held the required public hearing on August 6, 2018. The board unanimously approved LEDC Resolution 2018-06 and associated Performance Agreement. The LEDC received input from representatives of Visionary Fiber Technologies, staff and reviewed the Business Information Form to assess their economic impact. He provided information regarding the business prospect and explained their positive economic impact to the Lockhart community.

John Kinzer of Visionary Fiber Technologies provided detailed information about their company. There was discussion.

**B. DISCUSS RESOLUTION 2018-13 AMENDING RESOLUTION 2018-11 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF CROP ONE HOLDINGS, INC. (PROJECT SOAR) IN AN AMOUNT NOT TO EXCEED \$491,049 BASED ON A \$15 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 50 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$35,000.**

Mr. Tobias stated that on June 5, 2018, City Council approved Resolution 2018-11 approving Project Soar as a Project and the related Performance Agreement proposed by the LEDC. Upon receipt of the approved Performance Agreement, the Company's legal counsel identified some additions necessary to move the project forward. That resulted in additional negotiations and revisions to the Performance Agreement. The revisions are related to the need for a minor plat approval, additional assurances from the LEDC of its capacity to provide the necessary public infrastructure to support this project, placing an option on adjacent property for their potential expansion, and the need for the LEDC to acquire 13.6 acres of land at the CenterPoint East Business Park. The LEDC board approved the revisions to the Performance Agreement and the purchase of the land to develop this project and to attract other industrial users. There was discussion.

**C. DISCUSS RESOLUTION 2018-14 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, APPROVING THE PURCHASE BY THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC) OF 13.682 ACRES FROM CENTERPOINT BUSINESS PARK EAST FOR \$1.50 PER SQUARE FOOT ALONG THE EAST FRONTAGE ROAD OF SH 130 JUST NORTH OF THE RAILROAD AND TO SECURE SUFFICIENT FUNDS FOR THE PURCHASE OF THIS PROPERTY AND TO CONSTRUCT AN ACCESS EASEMENT TO SATISFY THE REQUIREMENTS OF THE MINOR PLAT PROCESS ON WHICH TO ATTRACT THE EXPANSION OF PROJECT SOAR (CROP ONE HOLDINGS) AND OTHER INDUSTRIAL USERS.**

Mr. Tobias stated that on August 6, 2018, the LEDC board approved and authorized the President of LEDC to negotiate the purchase of 13.682 acres of land from CenterPoint Business Park East to allow the expansion of Project Soar (Crop One Holdings) as outlined in the revised Performance Agreement, and to prepare to attract other industrial users. There was discussion.

**D. DISCUSS MINUTES OF THE CITY COUNCIL MEETING OF AUGUST 9, 2018.**

Mayor White requested corrections. There were none.

**E. DISCUSS ORDINANCE 2018-19 REPEALING UNCODIFIED ORDINANCE 2018-02 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING ESTABLISHING THE CLASSIFICATIONS WITHIN THE POLICE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION; ESTABLISHING THAT THE POSITION IMMEDIATELY BELOW THE POLICE CHIEF WILL BE APPOINTED.**

Chief Pedraza stated that under Civil Service Section 143.014 of the Texas Local Government Code and with the approval by the governing body of the municipality by resolution or ordinance, the head of the police department may appoint each person occupying an authorized position in the classification immediately below that of department head. A person appointed under this section serves at the pleasure of the department head. A person who is removed from the position by the department head shall be reinstated in the department and placed in the same classification, or its equivalent, that the person held before appointment. The person retains all rights of seniority in the department. The Chief of Police should

be able to pick the management team of the police department, needs the flexibility to put in place the leadership team that he thinks can do the best job, and should have the ability to appoint the person who he has faith and confidence to internalize the vision of the Chief of Police and the Lockhart community. Chief Pedraza recommended approval. There was discussion.

**F. DISCUSS PROPOSAL BY TEXAS REGIONAL PROTECTIVE SERVICES TO PROVIDE UNARMED, UNIFORMED, STATE LICENSED SECURITY OFFICER SERVICES AT THE CITY OF LOCKHART DR. EUGENE CLARK LIBRARY AT A COST OF \$17.00 PER HOUR AND AUTHORIZING THE CITY MANAGER TO FINALIZE THE CONTRACT WITH REVIEW BY THE CITY ATTORNEY AND FOR THE MAYOR TO SIGN THE CONTRACT FOR THE SERVICES.**

Ms. Martinez stated that staff would like to continue utilizing security services to maintain the safety of all patrons that visit the Library. She stated that the security officer has assisted with keeping order safely during a few disgruntled patron situations. Ms. Martinez recommended approval.

Mr. Rodgers stated that the current security service company, Pro Gate Security, has elected to end their service as of August 2018. 4J Security Services has agreed to provide temporary services at the library to fill the gap between the Pro Gate Security contract ending and the selection of a new provider. Requests for proposals were sought in compliance with State law. Four proposals were received. Texas Regional Protective Services was the lowest proposal and is a local company. Reference checks have been performed and show a history of satisfied customers. The company will provide general liability and workers' compensation insurance naming the City as an additional insured. The contract allows for termination if services are not satisfactory to the City. Mr. Rodgers recommended approval. There was discussion.

**G. DISCUSS MEMORANDUM OF UNDERSTANDING AGREEMENT BETWEEN THE CITY OF LOCKHART AND CONNECTIONS WHICH IS A NON-PROFIT INDIVIDUAL AND FAMILY COUNSELING AGENCY FUNDED BY THE UNITED WAY AND TEXAS NETWORK OF YOUTH SERVICES AND APPOINTING THE CITY MANAGER TO SIGN THE AGREEMENTS, IF APPROVED.**

Ms. Martinez explained that Community Action has provided beneficial counseling services to the youth at the Library for several years. Approximately 47 teens visit the Library during the summer and Community Action has assisted with coordinating and offering entertainment, meals and counseling for the youth. Ms. Martinez recommended approval.

**H. DISCUSS UPDATE BY CITY MANAGER REGARDING THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) LONG TERM WATER SUPPLY, THE PAYMENT SCHEDULE FOR THE INITIAL REVENUE BOND ISSUANCE BY GBRA, THE ASSOCIATED LAND LEASE COSTS, MAINTENANCE/OPERATIONAL COSTS, AND HOW HE RECOMMENDS THAT THEY BE FUNDED.**

Mr. Rodgers provided detailed information regarding the long-term water supply agreement with the Guadalupe-Blanco River Authority that included the payment schedule for the initial revenue bond issuance by GBRA, the associated land lease costs, and maintenance/operational costs.

There was discussion regarding an increase in water rates to utility customers. Mr. Rodgers stated that large commercial and/or industrial entities have been notified regarding future water rate increases.

**I. DISCUSS A CONTINUING DISCLOSURE AGREEMENT WITH THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) IN CONNECTION WITH THE ISSUANCE OF GBRA REVENUE BONDS KNOWN AS THE GUADALUPE-BLANCO RIVER AUTHORITY CONTRACT REVENUE BONDS, SERIES 2018A (DEFERRED FINANCING) AND SERIES 2018B (LOW INTEREST FINANCING) FOR THE CARRIZO GROUNDWATER SUPPLY PROJECT WHEREBY THE CITY OF LOCKHART IS TO PROVIDE ANNUAL FINANCIAL STATEMENTS AND OTHER COMMON FINANCIAL INFORMATION NORMALLY PROVIDED UNDER SUCH AGREEMENTS AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT.**

Mr. Rodgers stated that the disclosure agreement is required for the new long-term water under the Gonzales Carrizo Treated Water Supply Agreement by and between the GBRA and the City of Lockhart effective February 12, 2018, and any mutually agreed amendments thereto. Because GBRA will issue revenue bonds for the long-term water project, an agreement is needed whereby the City of Lockhart is required to provide annual financial information which is common for all such bond issuances, either direct or indirectly issued.

Mayor White invited GBRA to address the Council.

Darrell Nichols, of GBRA stated that the Agreement is a requirement of the bond issuance that requires entities involved with the Carrizo Groundwater Supply Project to agree to provide annual financial statements and other common financial information. There was brief discussion.

**J. DISCUSS AFTER PRESENTATION BY CITY MANAGER REGARDING PROPOSED FISCAL YEAR 2018-2019 BUDGETS.**

Mr. Rodgers provided information regarding the budget summary as follows:

			
<b>FY 18-19 PROPOSED BUDGET: SUMMARY</b>			
Proposed (Updated 8-15-2018)			
FUNDS	REVENUE	EXPENSE	Balance
*General Fund	\$ 10,098,400	\$ 10,098,400	\$ -
Electric	\$ 10,879,951	\$ 10,879,951	\$ -
Water	\$ 3,936,429	\$ 3,936,429	\$ -
Wastewater	\$ 2,218,390	\$ 2,218,390	\$ -
Solid Waste	\$ 1,769,652	\$ 1,715,336	\$ 54,316
Airport	\$ 75,109	\$ 41,500	\$ 33,609
**EMS	\$ 1,263,348	\$ 1,263,348	\$ -
Totals	\$ 30,241,279	\$ 30,153,354	
* Based on 4 cents increase above Effective M&O tax rate			
** Caldwell County responsible for half of any losses and purchase of capital items			
<b>INCLUDED IN ABOVE DEPARTMENT EXPENSES</b>			
Department	New Position/Change	Cost	
City Manager	Public Relations Person	\$	50,820
City Manager	Increase for new City Manager	\$	30,360
Animal Shelter	Animal Attendant Worker	\$	23,938
Parks	2 Workers start mid-budget year	\$	35,905
Maintenance Shop	1 Mechanic start mid-budget year	\$	34,708
Streets	2 Workers start mid-budget year	\$	36,781
General Fund Depts	3% Increase: Non-Civil Service	\$	94,902
Police Dept	Step Pay Plan Increase	\$	189,385
Water/Wastewater	Pay adjustment for construction skill levels	\$	39,307
Utility Depts	3% Increase: Non-Civil Service	\$	56,589
	<b>Total Estimate Cost</b>	<b>\$</b>	<b>592,695</b>
All above posted in Incode #5 Budget 8-15-2018			

The proposed Fiscal Year 2018-2019 balanced budget is based on a 4-cent increase above the effective maintenance and operations tax rate.

**K. DISCUSSION REGARDING ADOPTION OF THE 2018 COMBINED MAINTENANCE AND OPERATION AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE FOR THE CITY OF LOCKHART. IF PROPOSED TAX RATE EXCEEDS THE ROLLBACK RATE OR THE EFFECTIVE TAX RATE (WHICHEVER IS LOWER), A RECORD VOTE MUST BE TAKEN TO PLACE A PROPOSAL TO ADOPT THE RATE ON THE AGENDA OF A FUTURE COUNCIL MEETING. IF MOTION PASSES, COUNCIL MUST SCHEDULE AND ANNOUNCE DATE, TIME AND PLACE OF TWO (2) PUBLIC HEARINGS REGARDING THE PROPOSED TAX RATE.**

Mr. Hinson stated that action taken by the Council is required by the State for adherence with the Truth-In-Taxation laws. As directed by Council, a record vote will need to be taken and the dates announced for public hearings that are scheduled on September 4, 2018 at 7:30 p.m. and September 18, 2018 at 7:30 p.m. in the Council Chambers located at the Clark Library Annex-Council Chambers, 217 South Main Street, 3<sup>rd</sup> Floor, Lockhart, Texas.

RECESS: Mayor White announced that the Council would recess for a break at 7:51 p.m.

## **REGULAR MEETING**

### **ITEM 1. CALL TO ORDER.**

Mayor Lew White called the regular meeting of the Lockhart City Council to order on this date at 8:10 p.m.

### **ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.**

Councilmember Mendoza gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

### **ITEM 3. CITIZENS/VISITORS COMMENTS.**

Mayor White requested citizens to address the Council. There were none.

### **ITEM 4-A. CONDUCT THE FIRST READING AND DISCUSSION REGARDING RESOLUTION 2018-12 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF VISIONARY FIBER TECHNOLOGIES (PROJECT OKLAHOMA) IN AN AMOUNT NOT TO EXCEED \$427,500 BASED ON A \$6.75 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 70 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$75,000.**

Mr. Tobias read Resolution 2018-12 in its entirety.

Councilmember Michelson pointed out a correction to the LEDC agreement that reflects the creation of 71 employees and the Council Resolution reflects 70 employees. Mr. Tobias replied that the City Council Resolution indicates the correct number; 70 full-time employees.

**ITEM 4-B. CONDUCT THE FIRST READING AND DISCUSSION REGARDING RESOLUTION 2018-13 AMENDING RESOLUTION 2018-11 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF CROP ONE HOLDINGS, INC. (PROJECT SOAR) IN AN AMOUNT NOT TO EXCEED \$491,049 BASED ON A \$15 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 50 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$35,000.**

Mr. Tobias read Resolution 2018-13 in its entirety.

**ITEM 4-C. CONDUCT THE FIRST READING AND DISCUSSION REGARDING RESOLUTION 2018-14 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, APPROVING THE PURCHASE BY THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC) OF 13.682 ACRES FROM CENTERPOINT BUSINESS PARK EAST FOR \$1.50 PER SQUARE FOOT ALONG THE EAST FRONTAGE ROAD OF SH 130 JUST NORTH OF THE RAILROAD AND TO SECURE SUFFICIENT FUNDS FOR THE PURCHASE OF THIS PROPERTY AND TO CONSTRUCT AN ACCESS EASEMENT TO SATISFY THE REQUIREMENTS OF THE MINOR PLAT PROCESS ON WHICH TO ATTRACT THE EXPANSION OF PROJECT SOAR (CROP ONE HOLDINGS) AND OTHER INDUSTRIAL USERS.**

Mr. Tobias read Resolution 2018-14 in its entirety.

**ITEM 5. CONSENT AGENDA.**

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 5A, 5B, 5C, and 5D. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

The following are the consent agenda items that were approved:

- 5A: Approve minutes of the City Council meeting of August 9, 2018.
- 5B: Approve Ordinance 2018-19 repealing uncodified Ordinance 2018-02 in its entirety and adopting this Ordinance regarding establishing the classifications within the Police Department and authorizing the number of employees in each classification; establishing that the position immediately below the Police Chief will be appointed.
- 5C: Approve proposal by Texas Regional Protective Services to provide unarmed, uniformed, state licensed security officer services at the City of Lockhart Dr. Eugene Clark Library at a cost of \$17.00 per hour and authorizing the City Manager to finalize the contract with review by the City Attorney and for the Mayor to sign the contract for the services.
- 5D: Approve Memorandum of Understanding Agreement between the City of Lockhart and Connections which is a non-profit individual and family counseling agency funded by the United Way and Texas Network of Youth Services and appointing the City Manager to sign the agreements, if approved.

**ITEM 6-A. CONDUCT SECOND READING AND DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2018-12 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF VISIONARY FIBER TECHNOLOGIES (PROJECT OKLAHOMA) IN AN AMOUNT NOT TO EXCEED \$427,500 BASED ON A \$6.75 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 70 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$75,000.**

Mr. Tobias read Resolution 2018-12 in its entirety.

Councilmember McGregor made a motion to approve Resolution 2018-12, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

**ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING A CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH VISIONARY FIBER TECHNOLOGIES (PROJECT OKLAHOMA) WHICH REFLECTS A PROJECT INVESTMENT OF \$6.75 MILLION CAPITAL INVESTMENT IN THE PROJECT WITH A MINIMUM OF 70 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$75,000 TO BE CREATED OVER A FIVE (5) YEAR PERIOD AND RETAINED FOR THE ENSUING FIVE (5) YEAR PERIOD.**

Mr. Tobias stated that the proposed Chapter 380 Economic Development Agreement states that a property tax rebate would be offered up to ten years for an amount up to \$236,132. There was brief discussion.

Mayor Pro-Tem Sanchez made a motion to approve the Chapter 380 Economic Development Incentive Agreement with Visionary Fiber Technologies, as presented. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

**ITEM 6-C. CONDUCT SECOND READING AND DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2018-13 AMENDING RESOLUTION 2018-11 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, FOR FUNDING OF CROP ONE HOLDINGS, INC. (PROJECT SOAR) IN AN AMOUNT NOT TO EXCEED \$491,049 BASED ON A \$15 MILLION CAPITAL INVESTMENT IN THE PROJECT THAT WILL CREATE AT MINIMUM 50 NEW FULL-TIME EQUIVALENT (FTE) JOBS AT AN AVERAGE ANNUAL WAGE OF \$35,000.**

Mr. Tobias read Resolution 2018-13 in its entirety.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2018-13, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

**ITEM 6-D. CONDUCT SECOND READING AND DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2018-14 APPROVING A TYPE B PROJECT UNDER SECTION 4B OF THE TEXAS ECONOMIC DEVELOPMENT CORPORATION ACT OF 1979, AS AMENDED, APPROVING THE PURCHASE BY THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC) OF 13.682 ACRES FROM CENTERPOINT BUSINESS PARK EAST FOR \$1.50 PER SQUARE FOOT ALONG THE EAST FRONTAGE ROAD OF SH 130 JUST NORTH OF THE RAILROAD AND TO SECURE SUFFICIENT FUNDS FOR THE PURCHASE OF THIS PROPERTY AND TO CONSTRUCT AN ACCESS EASEMENT TO SATISFY THE REQUIREMENTS OF THE MINOR PLAT PROCESS ON WHICH TO ATTRACT THE EXPANSION OF PROJECT SOAR (CROP ONE HOLDINGS) AND OTHER INDUSTRIAL USERS.**

Mr. Tobias read Resolution 2018-14 in its entirety.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2018-14, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

**ITEM 6-E. DISCUSSION AND/OR ACTION AFTER UPDATE BY CITY MANAGER REGARDING THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) LONG TERM WATER SUPPLY, THE PAYMENT SCHEDULE FOR THE INITIAL REVENUE BOND ISSUANCE BY GBRA, THE ASSOCIATED LAND LEASE COSTS, MAINTENANCE/OPERATIONAL COSTS, AND HOW HE RECOMMENDS THAT THEY BE FUNDED.**

Mayor White stated that the update was made during the work session.

**ITEM 6-F. DISCUSSION AND/OR ACTION TO CONSIDER APPROVAL OF A CONTINUING DISCLOSURE AGREEMENT WITH THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) IN CONNECTION WITH THE ISSUANCE OF GBRA REVENUE BONDS KNOWN AS THE GUADALUPE-BLANCO RIVER AUTHORITY CONTRACT REVENUE BONDS, SERIES 2018A (DEFERRED FINANCING) AND SERIES 2018B (LOW INTEREST FINANCING) FOR THE CARRIZO GROUNDWATER SUPPLY PROJECT WHEREBY THE CITY OF LOCKHART IS TO PROVIDE ANNUAL FINANCIAL STATEMENTS AND OTHER COMMON FINANCIAL INFORMATION NORMALLY PROVIDED UNDER SUCH AGREEMENTS AND AUTHORIZING THE MAYOR TO SIGN THE AGREEMENT.**

Mayor Pro-Tem Sanchez made a motion to approve the Continuing Disclosure Agreement with GBRA, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

**ITEM 6-G. DISCUSSION AND/OR ACTION AFTER PRESENTATION BY CITY MANAGER REGARDING PROPOSED FISCAL YEAR 2018-2019 BUDGETS.**

There was no discussion or action.

**ITEM 6-H. DISCUSSION AND/OR ACTION REGARDING ADOPTION OF THE 2018 COMBINED MAINTENANCE AND OPERATION AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE FOR THE CITY OF LOCKHART. IF PROPOSED TAX RATE EXCEEDS THE ROLLBACK RATE OR THE EFFECTIVE TAX RATE (WHICHEVER IS LOWER), A RECORD VOTE MUST BE TAKEN TO PLACE A PROPOSAL TO ADOPT THE RATE ON THE AGENDA OF A FUTURE COUNCIL MEETING. IF MOTION PASSES, COUNCIL MUST SCHEDULE AND ANNOUNCE DATE, TIME AND PLACE OF TWO (2) PUBLIC HEARINGS REGARDING THE PROPOSED TAX RATE.**

Mayor Pro-Tem Sanchez made a motion to set the 2018 interest and sinking property tax rate at 10.76 cents/\$100 and the 2018 maintenance and operation property tax rate at 60.31 cents/\$100 and that the public hearings will be held on September 4, 2018 at 7:30 p.m. and September 18, 2018 at 7:30 p.m. in the Council Chambers located at the Clark Library Annex-Council Chambers, 217 South Main Street, 3<sup>rd</sup> Floor, Lockhart, Texas. The recommendations will result in a 2018 property tax rate of 71.07 cents/\$100. Councilmember McGregor seconded.

Mayor White requested a record vote:

The record vote is as follows:

- Councilmember Brad Westmoreland – Yes
- Councilmember Juan Mendoza – Yes
- Mayor Pro-Tem Angie Gonzales-Sanchez – Yes
- Councilmember Kara McGregor - Yes
- Councilmember John Castillo – Yes
- Councilmember Jeffry Michelson – Yes
- Mayor Lew White - Yes

**ITEM 6-I. DISCUSSION AND/OR ACTION REGARDING APPOINTMENTS TO VARIOUS BOARDS, COMMISSIONS OR COMMITTEES.**

Mayor White requested appointments to boards or committees. There were none.

**ITEM 6-J. DISCUSSION AND/OR ACTION REGARDING THE BUDGET AND TAX RATE ADOPTION CALENDAR, IF NECESSARY.**

There was no discussion.

**ITEM 7. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE DISCUSSION.**

- Update: The contractor has started the new 18" water main on West Martin Luther King, Jr. Industrial Blvd. that will connect to the large main on State Park Road at Patton.
- Update: Specifications are complete and bids will be taken soon for the rehabilitation of water well # 9 and emergency work on well # 10.
- Update: Staff working on Texas Swing Festival with event representatives to be held September 28 and 29.
- Report: Staff is working with Greater Caldwell County Hispanic Chamber in preparation of Diez y Seis event in September.
- Report: Personnel Changes: Pam Larison will be named Interim Finance Director effective, Monday, September 3, 2018. The Finance Director position will be filled by the new City Manager.

Mr. Hinson thanked present and past Mayors and Councilmembers for working with him during his tenure in addition to staff.

**ITEM 8. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST.**

Councilmember Westmoreland encouraged everyone to observe water conservation days.

Councilmember Mendoza thanked Mr. Hinson for his commitment during his tenure with the City of Lockhart.

Mayor Pro-Tem Sanchez thanked Mr. Hinson for his commitment during his tenure with the City of Lockhart and she welcomed Pam Larison as the interim Finance Director. She congratulated the First Baptist Church for celebrating their 141<sup>st</sup> anniversary last week. She expressed Birthday wishes to Maria Moreno at 91 years and Myrtle Moore at 98 years.

Councilmember McGregor thanked Jeff. She expressed best wishes to a speedy recovery to Lockhart Police Officers that were recently injured. She provided an update about the Wayfinding Committee, which an update is proposed to be presented to Council during a meeting in September.

Councilmember Castillo thanked Jeff for his commitment to the City during his tenure. He welcomed Pam Larison for serving as interim Finance Director. He thanked staff and all that participated and assisted with the City Manager interview process. He thanked staff for working on the Fiscal Year 2018-2019 budget.

Councilmember Michelson thanked Jeff for his commitment during his tenure and Pam Larison for serving as interim Finance Director.

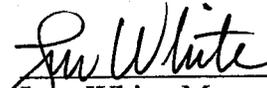
Mayor White thanked both Jeff Hinson and Pam Larison and all involved with the budget process. He thanked the Ohlendorf sisters and Parind Vora for assisting with a nice dinner reception for City Manager candidates. He thanked Shelly Michelson and Rebecca Pulliam for assisting with the decorations and for conducting tours for the city manager candidates' wives. Mayor White announced that if the contract is agreeable with a City Manager candidate, the Council will meet on Tuesday, August 28, 2018 to consider approval of a contract.

**ITEM 9. ADJOURNMENT.**

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:56 p.m.

PASSED and APPROVED this the 4<sup>th</sup> day of September 2018.

**CITY OF LOCKHART**

  
\_\_\_\_\_  
Lew White, Mayor

ATTEST:



\_\_\_\_\_  
Connie Constancio, TRMC  
City Secretary

