

**LOCKHART CITY COUNCIL  
REGULAR MEETING**

**NOVEMBER 16, 2021**

**6:30 P.M.**

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS, 217 SOUTH MAIN STREET, 3RD FLOOR, LOCKHART, TEXAS**

**Council present:**

Mayor Pro-Tem Angie Gonzales-Sanchez  
Councilmember Juan Mendoza  
Councilmember Brad Westmoreland

Mayor Lew White  
Councilmember Derrick David Bryant  
Councilmember Jeffrey Michelson

**Council absent:**

Councilmember Kara McGregor

**Staff present:**

Steven Lewis, City Manager  
Monte Akers, City Attorney  
Pam Larison, Finance Director  
Sean Kelley, Public Works Director

Connie Constancio, City Secretary  
Victoria Maranan, Public Information Officer  
Mike Kamerlander, Economic Development Dir.  
Jesse Bell, Police Captain

**Citizens/Visitors Addressing the Council:** Brandon Alexander and Greg Zanghi of Iron Ox; Sal Perdoma of Titan Development, and Citizen, Suzy Falgout.

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

Mayor White announced that Councilmember McGregor would not attend the meeting and that Mayor Pro-Tem Sanchez will be late. He opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

**A. DISCUSS CITY COUNCIL MINUTES OF THE OCTOBER 19, 2021 AND NOVEMBER 2, 2021 MEETINGS.**

Mayor White requested corrections to the minutes. There were none.

Mayor Pro-Tem Sanchez arrived at the meeting.

**B. DISCUSS RESOLUTION 2021-20 AUTHORIZING SUBMISSION OF A GRANT APPLICATION FOR THE BODY WORN CAMERA PROGRAM UPGRADE TO THE OFFICE OF THE GOVERNOR FOR THE LOCKHART POLICE DEPARTMENT.**

Captain Bell stated that the Lockhart Police Department is seeking funding through the Office of the Governor's Body Worn Camera Grant Program for Fiscal Year 2022. This grant does, however, require a 25% match of funds in the amount of \$22,785. The current devices currently in use by the Lockhart Police Department have shown a history of being in constant need of repair and/or replacement and generally have shown not to be very sturdy or dependable. With them all being past their 1 year manufacturers' warranty, the frequent cost to repair them almost meets the same cost to replace them with a new device. With a usual turn around of several weeks on repairs, officers have to use spare or share cameras, making it difficult to track videos. The devices being sought include 5-year warranties on all devices and upgraded devices after the first 3 years. In addition, the software includes unlimited cloud-based storage for retention without data caps. Captain Bell recommended approval. There was discussion.

**E. DISCUSS RESOLUTION 2021-22 APPROVING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC) AND BLACKJACK II, LLC. TO AUTHORIZE THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE A GRANT OF UP TO \$200,000 TO BLACKJACK II, LLC FOR REIMBURSEMENT OF WATER AND WASTEWATER UTILITIES CONSTRUCTION.**

Mr. Kamerlander stated that Project Iron Ore is an expansion of Iron Ox in Lockhart. Iron Ox recently received \$53 million in series B funding and is looking towards its next expansion. This new expansion would encompass more than 1 million square feet on 85 acres. This is on top of the 535,000 square feet on the 25 acres on Reed Drive currently under construction. The proposed economic development performance agreement states that the company will receive a rebate of up to \$200,000 of LEDC funds for the installation of water and wastewater lines to the property. This rebate is due to the company only after those utilities have been installed. To receive the rebate, Iron Ox must close on the land, construct the utilities, pay for them, and begin construction on the land for its new facility. The construction of these utilities will serve more than Iron Ox as that part of town will continue to experience growth in the future providing a public service in that area. LEDC Board unanimously passed the proposed Performance agreement. Mr. Kamerlander recommended approval. There was discussion.

Brandon Alexander of Iron Ox stated that they look forward to expanding their produce business in Lockhart. He expressed appreciation about how the community welcomes their business.

Greg Zanghi of Iron Ox stated that they look forward to expanding their business in Lockhart.

**G. DISCUSS CHAPTER 380 AGREEMENT WITH BLACKJACK II, LLC (IRON OX) TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.**

Mr. Kamerlander stated that the proposed 380 agreement works in concert with the Performance Agreement with Iron Ox for its proposed new facility on 85-acres on Commerce Street. The economic development performance agreement background includes the project details. The 380 agreement provides a 5-year property tax rebate to Iron Ox once the project is completely developed and a certificate of occupancy has been obtained. The 5-year rebate on City ad valorem tax percentages are as follows:

- Year 1: 75%
- Year 2: 66%
- Year 3: 50%
- Year 4: 33%
- Year 5: 25%

Total Incentive Estimate: \$1,531,650  
Estimated Net Benefit to City over 10 years: \$11,653,796

This 5-year rebate only applies to the new facility on Commerce Street, not the existing facility on Reed Avenue that is currently under construction. The Agreement also sets forth investment and job creation requirements. Mr. Kamerlander recommended approval. There was discussion.

**C. DISCUSS RESOLUTION 2021-21 FOR AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT FOR A BIG GRANT FACADE IMPROVEMENT WITH OLD PAL TEXAS TAVERN LOCATED AT 100 E. MARKET STREET.**

Mr. Kamerlander stated that the proposed resolution and performance agreement offers a Business Improvement & Growth Program (BIG) Grant to Old Pal Texas Tavern. Old Pal Texas Tavern invested \$22,770 into the updating of the façade of the building. The owner met with Lockhart Economic Development Corporation (LEDC) months ago and due to the size of the rebate (\$11,385) staff held off until the new fiscal year to provide the full rebate to the business as the BIG Grant account was almost completely used in Fiscal Year 2020-2021. The economic development performance agreement outlines the work done on the building, the rebate the business is entitled to should the work be completed as stated and paid as required. The expected 50% rebate is \$11,385 on the \$22,770 worth of work on the façade. Mr. Kamerlander recommended approval. There was discussion.

**D. DISCUSS SCHEDULE OF MEETINGS IN 2022 FOR REDISTRICTING AS REQUIRED AT THE BEGINNING OF EACH DECADE TO DETERMINE IF, BASED ON THE NEW POPULATION FIGURES PROVIDED BY THE US CENSUS, THE CITY OF LOCKHART'S SINGLE-MEMBER VOTING DISTRICTS CONTINUE TO CONFORM TO THE U.S. CONSTITUTION'S ONE-PERSON, ONE-VOTE REQUIREMENT.**

Ms. Constancio stated that on May 4, 2021, the City Council approved an agreement with Bickerstaff, Heath, Delgado & Acosta to provide legal services for all aspects associated with the redistricting process. Syd Falk of Bickerstaff's office states that Lockhart will begin the process in February 2022. Staff is seeking direction from Council about proposed meeting dates in February, March and April 2022 to carry out the required redistricting tasks. Four special meetings for single-member district drawing sessions are tentatively scheduled (February 8, February 22, March 8 and March 29), yet the Council might only meet 1 or 2 times for drawing sessions. Mr. Falk will be present at all meetings involving redistricting and he recommends a set meeting schedule to book the firm's Tech drawing crew to ensure their participation in the meetings. There was discussion regarding proposed meeting dates that involve redistricting. Also attached are Quick Facts from the U.S. Census Bureau that indicate the City of Lockhart's 2020 population is 14,379. Lockhart's population in 2010 was 12,698. Council and staff will receive data and redistricting stats approximately one week before the February 1 initial assessment meeting. Ms. Constancio recommended approval. There was discussion.

**F. DISCUSS PURCHASE AND SALE AGREEMENT FOR 13.615 ACRES IN LOCKHART INDUSTRIAL PARK III WITH TITAN DEVELOPMENT.**

Mr. Kamerlander stated that the proposed land purchase agreement is with Titan Development out of Albuquerque, NM. Titan Development is one of the Southwest's largest and most active real estate development and investment firms. Titan offers real estate services for a variety of asset classes to take projects from inception to completion, as well as an in-house private equity fund management platform to better respond to their investor's needs. Titan Development expanded into other strategic and high growth markets including Texas, Arizona, Colorado, and Florida. Over the past 22 years, Titan Development has established a proven track record across a diversified class of real estate investments including: multifamily, senior living, office, industrial, retail, and single-family lots. Since its inception, the firm has completed over \$2.4B in real estate development by the partners with \$375.5M of assets under management, and over 15.5M square feet of developed real estate. Notable Central Texas Titan developments: Hutto, Schertz, New Braunfels, Selma, and Georgetown. Titan has recently developed over 1 million square feet in those cities over the past 5 years.

Other items of note:

1. Site: Block A, Lot 2 (13.6 acres) (See Map)
2. Purchase Price: \$2.75/SF
3. Earnest Money: \$50,000. \$25,000 goes hard after 6 months and the remaining \$25,000 goes hard after 9 months.
4. Due Diligence Period: Titan shall have 12 months to complete its Due Diligence related to the site.
5. Exclusivity: Titan shall have the exclusive right to market the site during the Due Diligence Period. Titan will be hiring a broker.
6. Site Delivery: Site shall be delivered with all wet and dry utilities (less communication) and road infrastructure (Cahill Road) by LEDC. LEDC is already doing this.
7. Development Agreement: Upon closing on the land, Titan will enter into a Development Agreement with the City of Lockhart that will outline responsibilities of both parties and will include a timeline to start construction.

Mr. Kamerlander recommended approval.

**H. DISCUSS ENTERING INTO A WATER SERVICE AGREEMENT BETWEEN POLONIA WSC AND THE CITY OF LOCKHART TO AUTHORIZE THE CITY OF LOCKHART TO SERVE WATER UTILITIES TO APPROXIMATELY 49.96-ACRES GENERALLY KNOWN AS 127 OLD LULING AND AUTHORIZING THE MAYOR TO SIGN AGREEMENT.**

Mr. Akers stated that the owners of property located at 127 Old Luling Road have approached the City of Lockhart and Polonia WSC in regards to servicing their property with water utilities. Polonia is the current holder of water certificate of convenience and necessity "CCN", which includes this parcel. However, Polonia WSC acknowledges that they lack the service capacity to serve this property's development as projected by the property owner. Polonia WSC and Aqua WSC are currently in the midst of filing to transfer Polonia's CCN to Aqua with the Public Utility Commission. This transfer will not be complete until early 2022. Filing a formal application for the transfer of a single parcel with the PUC during an active PUC filing would be disruptive and delay approvals. Polonia WSC agrees that entering a Water Service Agreement with the City to serve this property will satisfy all parties until formal filing with the PUC can take place. Texas Water Code Section 13.248 (TWC Sec. 13.248) authorizes contracts between retail public utilities designating areas to be served and customers to be served by those retail public utilities. If the Water Service Agreement is approved, it will authorize the City to serve until the transfer of the water CCN can be filed with the PUC. Similar to other developments within the City's water service area, the property owner would also be expected to extend water and wastewater utilities to serve their development.

RECESS: Mayor White announced that the Council would recess for a break at 7:05 p.m.

**REGULAR MEETING**

**ITEM 1. CALL TO ORDER.**

Mayor Lew White called the meeting to order at 7:35 p.m.

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

Mayor White gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

**ITEM 3. PUBLIC COMMENT.**

Mayor White requested citizens to address the Council.

Suzy Falgout, 710 S. Commerce Street, announced that the Caldwell County Animal Coalition is officially a non-profit organization with a 501C3. She provided details about the organization's upcoming pet clinic that offers low cost spay/neuter and vaccinations for animals. She encouraged financial contributions to the Coalition to assist with additional low cost animal clinics in the future.

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

**ITEM 4. CONSENT AGENDA.**

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 4A, 4B and 4C. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

The following are the consent agenda items that were approved:

- 4A: Approve City Council minutes of the October 19, 2021 and November 2, 2021 meetings.
- 4B: Approve Resolution 2021-20 authorizing submission of a grant application for the Body Worn Camera Program upgrade to the Office of the Governor for the Lockhart Police Department
- 4C: Approve Resolution 2021-21 for an Economic Development Performance agreement for a BIG Grant facade improvement with Old Pal Texas Tavern located at 100 E. Market Street.

**ITEM 5-A. DISCUSSION AND/OR ACTION TO CONSIDER SCHEDULE OF MEETINGS IN 2022 FOR REDISTRICTING AS REQUIRED AT THE BEGINNING OF EACH DECADE TO DETERMINE IF, BASED ON THE NEW POPULATION FIGURES PROVIDED BY THE US CENSUS, THE CITY OF LOCKHART'S SINGLE-MEMBER VOTING DISTRICTS CONTINUE TO CONFORM TO THE U.S. CONSTITUTION'S ONE-PERSON, ONE-VOTE REQUIREMENT.**

Mayor Pro-Tem Sanchez made a motion to approve the meeting schedule in 2022 for Redistricting, as presented. Councilmember Bryant seconded. The motion passed by a vote of 6-0.

**ITEM 5-B. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2021-22 APPROVING AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT BETWEEN THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION AND BLACKJACK II, LLC. TO AUTHORIZE THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION TO PROVIDE A GRANT OF UP TO \$200,000 TO BLACKJACK II, LLC FOR REIMBURSEMENT OF WATER AND WASTEWATER UTILITIES CONSTRUCTION.**

Councilmember Michelson made a motion to approve Resolution 2021-22, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0.

**ITEM 5-D. DISCUSSION AND/OR ACTION TO CONSIDER A CHAPTER 380 AGREEMENT WITH BLACKJACK II, LLC (IRON OX) TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.**

Mayor Pro-Tem Sanchez made a motion to approve the Chapter 380 Agreement with Blackjack Block, II, LLC (Iron Ox), as presented. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

**ITEM 5-C. DISCUSSION AND/OR ACTION REGARDING A PURCHASE AND SALE AGREEMENT FOR 13.615 ACRES IN LOCKHART INDUSTRIAL PARK III WITH TITAN DEVELOPMENT.**

Sal Perdoma of Titan Development, Austin, introduced himself and expressed his appreciation of expanding their office to Lockhart. He provided a brief background of the firm's development portfolio. He stated that Lockhart seems to be a suitable location to have access to various major highways to several surrounding cities. There was discussion.

Councilmember Michelson made a motion to approve the purchase and sale agreement for 13.615 acres in the Lockhart Industrial Park III with Titan Development, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0.

**ITEM 5-E. DISCUSSION AND/OR ACTION TO CONSIDER ENTERING INTO A WATER SERVICE AGREEMENT BETWEEN POLONIA WSC AND THE CITY OF LOCKHART TO AUTHORIZE THE CITY OF LOCKHART TO SERVE WATER UTILITIES TO APPROXIMATELY 49.96-ACRES GENERALLY KNOWN AS 127 OLD LULING AND AUTHORIZING THE MAYOR TO SIGN AGREEMENT.**

Mayor Pro-Tem Sanchez made a motion to approve the Water Service Agreement between Polonia WSC and the City of Lockhart, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

**ITEM 5-G. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2021-19 CASTING VOTES FOR DIRECTORS TO SERVE ON THE CALDWELL COUNTY APPRAISAL DISTRICT BOARD OF DIRECTORS FOR THE TERM OF OFFICE FROM JANUARY 1, 2022 TO DECEMBER 31, 2023.**

Mr. Lewis stated that during the September 21, 2021 meeting, the Council approved Resolution 2021-16 that listed Alfredo Munoz and Sally Daniel as the City of Lockhart's nominations to be placed on a ballot for the Caldwell County Appraisal District (CCAD) Board of Directors that consists of five members. The ballot that the City received from the CCAD requesting that each taxing entity cast votes for the CCAD Board of Directors for the term of office from January 1, 2022 to December 31, 2023. The ballot consists of 8 candidates running for 5 Director positions. The Director will serve a two-year term beginning on January 1 of even numbered years. The City of Lockhart is entitled to cast 427 votes. The Council may cast all votes for one candidate or may distribute the votes among any number of candidates up to 427 votes. The deadline to submit the votes to the CCAD is December 15, 2021. Staff will submit the necessary documentation to the CCAD after the Council has cast their vote(s). In 2019, the Council cast all votes (453) to Alfredo Munoz.

Mayor White made a motion to cast 300 votes for Sally Daniel and 127 votes for Alfredo Munoz. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0.

**ITEM 5-G. DISCUSSION AND/OR ACTION TO CONFIRM THE CALDWELL COUNTY COMMISSIONER COURT'S APPOINTMENT OF STEVE LEWIS TO THE TEXAS INNOVATION CORRIDOR TRANSPORTATION ALLIANCE.**

Mr. Lewis stated that the Texas Innovation Corridor Transportation Alliance (Alliance) is being constituted at the direction of the Greater San Marcos Partnership's (GSMP) Vision2025 strategic plan. The Alliance's formation and administration is led by the members of the GSMP's Implementation Workgroup focused on the third goal of the Vision2025 plan. The purpose of the Alliance is not to duplicate or replace any other transportation plans or organizations, but rather to improve coordination between entities within the GSMP footprint. Like many other components of economic development,

transportation systems are most valuable when cohesively linked to a broader system, and the role of the Alliance is principally to strengthen regional transportation cooperation within the GSMP footprint. The Alliance is composed of eleven voting seats, which may be modified at the discretion of the GSMP Board. Each entity with a seat within the Alliance is recommended to have a primary representative, a designated alternate, and a technical representative, all of which may attend Alliance meetings. Self-appointing institutions shall affirm their representative on an annual basis. For any entity holding a seat on CAMPO's Transportation Policy Board, the representative serving in the CAMPO seat may be considered for service on the Alliance. The two "community" seats appointed by each respective County Commissioners Court are intended to be rotated amongst municipalities not already represented on the Alliance. On November 8, 2021, the Commissioners Court appointed Steve Lewis as Caldwell County's appointee to the Alliance. Mr. Lewis requested that the Council confirm his appointment to the Alliance.

Mayor Pro-Tem Sanchez made a motion to confirm the Caldwell County Commissioner Court's appointment of Steve Lewis to the Texas Innovation Corridor Transportation Alliance. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

**ITEM 5-H. DISCUSSION REGARDING MATTERS RELATED TO COVID-19.**

There was no action.

**ITEM 5-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. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION.**

- Lockhart Fire Department hired a new firefighter on October 26, 2021. One vacancy exists.
- Police Officer entrance exam will be held on Saturday, December 11, 2021.
- Northern Caldwell County Coalition meeting will be held on November 18 at 6:00 p.m. at the M.L. Cisneros Education Support Center Boardroom.
- City Council will have a float in the Reverse Dickens' Lighted Parade on December 4th.
- Solid waste collection schedule during the Thanksgiving holiday will change. No collection on Thanksgiving Day; Nov. 25 and Nov. 26 will slide to pick-up the next day.
- Update regarding Keep Lockhart Beautiful event held on Saturday, November 6.

**ITEM 7. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST.**

Councilmember Westmoreland thanked all that attended the Downtown Revitalization open house. He stated that in 1967, the Beautification Project was carried out to improve the downtown area. He expressed appreciation of the city continuing with the downtown improvements.

Councilmember Mendoza thanked all for attending the Downtown Revitalization meeting. He thanked the Lockhart Fire department for push-in ceremony of the new Fire truck. He wished Ms. Moore a 102<sup>nd</sup> birthday.

Mayor Pro-Tem Sanchez encouraged citizens to participate with submission of on-line comments about the Downtown Revitalization project. He congratulated Rebecca Pulium for being appointed as a Lockhart Independent School District Board of Trustee.

Councilmember Bryant also thanked all for attending the Downtown Revitalization meeting and he encouraged everyone to share the website information about the project. He wished everyone a Happy Thanksgiving.

Councilmember Michelson thanked everyone for attending Downtown Revitalization meeting. He wished everyone a Happy Thanksgiving.

Mayor White thanked every for attending the Downtown Revitalization meeting and he encouraged on-line participation. The 2<sup>nd</sup> open house about the downtown project will be in January 2022. He wished everyone a Happy and safe Thanksgiving.

**ITEM 8. ADJOURNMENT.**


Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded.  
The motion passed by a vote of 6-0. The meeting was adjourned at 8:03 p.m.

PASSED and APPROVED this the 7<sup>th</sup> day of December 2021.

**CITY OF LOCKHART**

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

ATTEST:

  
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Connie Constancio, TRMC  
City Secretary

