

**LOCKHART CITY COUNCIL
REGULAR MEETING**

JULY 17, 2018

6:30 P.M.

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

Council present:

Mayor Lew White	Councilmember John Castillo
Councilmember Juan Mendoza	Councilmember Kara McGregor
Councilmember Jeffrey Michelson	Councilmember Brad Westmoreland
Mayor Pro-Tem Angie Gonzales-Sanchez (arrived at 7:00 p.m.)	

Staff present:

Vance Rodgers, City Manager	Connie Constancio, City Secretary
Peter Gruning, City Attorney	Jeff Hinson, Finance Director
Bobby Leos, Electric Superintendent	Emma Rocha, Utility Customer Service Manager
Ernest Pedraza, Police Chief	Rob Tobias, Economic Development Director
Sean Kelley, Public Works Director	Randy Jenkins, Fire Chief
Stephen Parra, Community Resource Officer	Erin Westmoreland, Municipal Court Manager
Paul Ybarra, Patrol Sergeant	

Citizens/Visitors Addressing the Council: Dana Kinser, Citizen.

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 MINUTES OF THE CITY COUNCIL MEETINGS OF JUNE 19, 2018 AND JULY 5, 2018.

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

B. DISCUSS 3RD QUARTER FISCAL YEAR 2018 INVESTMENT REPORT.

Mr. Hinson stated that the Texas Public Investment Act requires local governments to review and accept a quarterly investment report for each quarterly reporting period of the year. He provided the following information and there was discussion regarding the 3rd Quarter Fiscal Year 2018 report, ending June 30, 2018:

- Quarterly Investment Report
- Investment Portfolio Summary
- Cash Accounts as reconciled by the Banks of the Ozarks
- Marketable Securities Transaction Summary
- Investment Pool Transactions Summary
- Certificates of Deposit Transaction Summary
- Investment Pools
- Bank of the Ozarks Collateralization

C. DISCUSS RECOMMENDATION TO AWARD BID TO BLACKROCK CONSTRUCTION OF MANSFIELD, TEXAS, IN THE AMOUNT OF \$460,601.00 FOR THE INSTALLATION OF APPROXIMATELY 6,100 FEET OF 18 INCH PVC WATER MAIN ALONG WEST MLK, JR. INDUSTRIAL BLVD. FROM NEAR SOUTH COLORADO STREET TO STATE PARK ROAD AND PATTON ROAD AND APPOINTING THE MAYOR TO SIGN ALL CONTRACTUAL DOCUMENTS.

Mr. Kelley stated that this water main improvement was identified in the 2020 Comprehensive Plan and will increase the flow of water to the west side of the city, where the city is seeing most growth. It has been a long-term goal of the city to have a large water main system that encircles Lockhart. This water main will connect existing large mains, looping our water system. Bids were advertised in compliance with State law for the installation of 6,100 feet of 18 inch PVC along MLK Industrial Blvd. from near South Colorado Street to State Park Road and Patton Road. Nineteen bids were received ranging from \$460,601 to \$951,358. The lowest bid was submitted by Blackrock Construction. This company has a commendable reputation as a utility construction business along with the personnel and the equipment to get the job done successfully and in a timely manner. Mr. Kelley recommended approval. There was discussion.

D. DISCUSS ALLOCATION OF DISTRIBUTIONS FOR FISCAL YEAR 2018-2019 TO THE NONPROFIT ORGANIZATIONS REQUESTING CONTRIBUTIONS.

Mr. Hinson stated that requests for contributions were previously made to the Council by non-profit organizations on July 12, 2018. The current budgeted amount for this purpose is \$27,804. Should the Council decide to allocate more than what is currently budgeted for the Fiscal Year 2018-2019, the additional funds needed would be realized through budget cuts in other line items. Staff does not have a recommendation regarding the allocations and seeks direction from the Council.

Mayor White stated that during the Fiscal Year 2017-2018 allocation process, the Council discussed increasing allocations by 10 percent during the Fiscal Year 2018-2019. There was discussion.

Mayor White announced that the Council would vote on the allocation distribution amounts during the regular meeting.

E. PRESENTATION AND DISCUSSION REGARDING QUARTERLY UPDATE ON LOCKHART ECONOMIC DEVELOPMENT CORPORATION ACTIVITIES.

Mr. Tobias provided an update and there was discussion regarding the Lockhart Economic Development Corporation activities that included the following topics:

- Lockhart snapshot.
- Emerging new retail, commercial, and industrial development.
- 2017 Project announcements.
- Map of 2018 potential announcements.
- New initiatives under development.
- Tax increment financing.
- A Vision for the Future.

Mayor Pro-Tem Sanchez arrived at the meeting at 7:00 p.m.

F. PRESENTATION AND DISCUSSION REGARDING FISCAL YEAR 2018-2019 PROPOSED BUDGET, TAX RATE AND RELATED INFORMATION.

Mr. Rodgers stated that staff anticipates additional funds to be calculated when the final tax appraisal roll is received from the Caldwell County Appraisal District later this month. At that time, staff will research presenting additional requests to the Council for consideration. He stated that staff would present and there would be discussion regarding the following budgets:

Municipal Court

Increase for health insurance and for materials to repaint striping in the parking lot.

Fire

Overall budget was decreased because of obtaining grant funds to purchase a mini-pumper and cardio exercise equipment was purchased out of the Fiscal Year 2017-2018 unrestricted balance funds. There was discussion regarding a possible new fire substation at Borchert Lane in the future.

Communications

Increase due to health insurance. Funds for new dispatch consoles and chairs (\$65,000) was removed from the budget requests because staff will pursue grant funds to purchase the office equipment.

Police

Increase due to health insurance, civil service wage increases, and certification pay to several officers. Increase in radio communications is due to an error in budgeting last year. The increase does not require a budget amendment unless the expenses are higher than the budgeted amount, which is not foreseeable at this time. The City Manager's recommended increase in the Police Step Pay Plan will be forthcoming after receiving the final Caldwell County Appraisal District appraisal information in two to three weeks.

Utility Electric Billing

Increase for a proposed 3 percent wage increase and an increase in health insurance. Incode utility billing software annual service fee is subject to increase. Pay grade adjustments in this department were done earlier this year to recognize the value of employees who together collect close to \$10 million dollars a year and above all other departments deal the most with mad customers; these adjustments did not increase the budget.

Electric Distribution

Staff will work on a couple of capital outlay projects that involves replacing and upgrading a primary electric line on South Main between Prairie Lea and Bee Streets and replacing the mini Derek backyard machine that assists in replacing utility poles. These projects will be paid out of capital funds. Reclassification of some positions in this department were necessary to hire and retain Class A High Voltage Line Workers; neighboring cities and Bluebonnet Electric Coop were starting new Class A's at more than our experienced line workers. We did lose one good Class A line worker to Bluebonnet because of the wage and due to the fact that Bluebonnet employees put in a lot more overtime.

Electric - Non-Departmental

City is purchasing 25 percent of electric power from American Electric Power (AEP), an outsourced provider, that has helped reduce rates charged by the Lower Colorado River Authority. Staff may propose to increase the amount of electric power purchased from a third party provider to reduce rates paid by customers if LCRA rates increase.

Water Distribution

Increase is for payments to begin the long-range water supply project. Water department crews are installing new water lines in-house to save money. Funds have also been allocated to purchase heavy equipment to assist with the water line construction projects. There was discussion regarding the long-range water supply project. Since this crew is doing a lot more water main installations to save money, pay grade adjustments to meet industry standards are included in the budget.

Water – Non-Departmental

Decrease because previous debt was paid in full.

Wastewater Collection

Increase for health insurance and proposed wage increase. This department maintains the sewer lines and funds are allocated for continuing education for these employees. Since this crew is doing a lot more wastewater main installations to save money, pay grade adjustments to meet industry standards are included in the budget.

Wastewater – Non-Departmental

Increase to adjust the long-range water supply debt from water to wastewater.

Solid Waste - Hand Collection, Bin Collection

Increase for solid waste contracted services with Central Texas Refuse, employee wage increases and increases in health insurance for employees. A 4.6% increase in rates is proposed, 2.5% of which is contractual plus the June Consumer Price Index (CPI). Projected increased revenues through rate increases are included in the proposed budget to offset the cost of services.

Solid Waste – Recycling

Increase due to deficiencies at the single-stream recycling center. The city currently assists local businesses by picking up cardboard at no fee. Staff will consider charging a cardboard recycling pickup fee to businesses in the future.

Solid Waste – Landfill

Staff continues to maintain the old landfill. Police Department also uses the property for their shooting range. Funds allocated are for roadway repairs.

Solid Waste – Non-Departmental

Funds are transferred to the general fund to support services such as repairing streets and other departments.

Mr. Rodgers requested that the Council continue to email him questions regarding the budget so that they can be addressed.

Mayor White announced that the next budget meeting will be held on July 26, 2018 at 6:30 p.m.

G. DISCUSSION REGARDING MAINTENANCE, OPERATIONAL AND CAPITAL BUDGETS AND FUNDING POSSIBILITIES.

There was no discussion.

H. DISCUSSION REGARDING BUDGET AND TAX RATE ADOPTION CALENDAR, IF NECESSARY.

There was no discussion.

RECESS: Mayor White announced that the Council would recess for a break at 7:48 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 8:07 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

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

ITEM 3. CITIZENS/VISITORS COMMENTS.

Mayor White requested the following citizen to address the Council.

Dana Kinser, 6118 FM 713, Dale, expressed disappointment about a post on Facebook made by the Lockhart Animal Shelter employees about her recent tough decision to surrender her dog to the animal shelter due to an unforeseen situation within her family. She stated that she felt that the Facebook post was unnecessary and disrespectful to her and her family because their decision to surrender the animal was heartbreaking. Mayor requested staff to look into the matter.

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

ITEM 4. CONSENT AGENDA.

Councilmember Michelson made a motion to approve consent agenda items 4A, 4B, and 4C. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

The following are the consent agenda items that were approved:

4A: Approve minutes of the City Council meetings of June 19, 2018 and July 5, 2018.

4B: Accept 3rd Quarter Fiscal Year 2018 Investment report.

4C: Approve recommendation to award bid to Blackrock Construction of Mansfield, Texas, in the amount of \$460,601.00 for the installation of approximately 6,100 feet of 18 inch PVC water main along West MLK, Jr. Industrial Blvd. from near South Colorado Street to State Park Road and Patton Road and appointing the Mayor to sign all contractual documents.

ITEM 5-A. DISCUSSION AND/OR ACTION TO CONSIDER ALLOCATION OF DISTRIBUTIONS FOR FISCAL YEAR 2018-2019 TO THE NONPROFIT ORGANIZATIONS REQUESTING CONTRIBUTIONS.

There was discussion.

Councilmember McGregor made a motion to award the allocations the same as in Fiscal Year 2017-2018 and to add 10 percent. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 5-B. PRESENTATION AND DISCUSSION REGARDING QUARTERLY UPDATE ON LOCKHART ECONOMIC DEVELOPMENT CORPORATION ACTIVITIES.

Mayor White announced that the presentation was made during the work session. There was brief discussion.

ITEM 5-C. DISCUSSION AND/OR ACTION REGARDING APPOINTMENTS TO VARIOUS BOARDS, COMMISSIONS OR COMMITTEES.

Mayor White requested appointments to boards and commissions. There were none.

ITEM 5-D. PRESENTATION, DISCUSSION AND/OR ACTION REGARDING FISCAL YEAR 2018-2019 PROPOSED BUDGET, TAX RATE AND RELATED INFORMATION.

Mayor White announced that the presentations were made during the work session.

ITEM 5-E. DISCUSSION AND/OR ACTION REGARDING MAINTENANCE, OPERATIONAL AND CAPITAL BUDGETS AND FUNDING POSSIBILITIES.

There was no discussion.

ITEM 5-F. DISCUSSION AND/OR ACTION REGARDING BUDGET AND TAX RATE ADOPTION CALENDAR, IF NECESSARY.

There was no discussion.

ITEM 6. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE DISCUSSION

- Update: Upstairs City Hall restrooms restoration complete; start downstairs now.
- Update: Staff continues to meet with several different housing and business developers.
- Update: Contractor will start paving activities on San Jacinto, Mockingbird, Prairie Lea East of US 183, and Cibilo Street from SH 142 and Brazos the week of July 23.
- Report: The Library Summer Reading Club Program with meals provided through LISD program was again a big success with over 425 participants. Following activities planned:
 - Friday, July 13.....Movies at Hometown Cinema
 - Friday, July 20Overnight in the Library
 - Thursday, July 26...Awards Party
 - Tuesday, July 31....Swimming Party
- Report: Working with Greater Caldwell County Hispanic Chamber in preparation of Diez y Seis event in September.
- Report: Hill Country Cook-off will be held at City Park in October 2018.
- Reminder: City employee summer appreciation party on Friday, August 10, 6 pm – 9 pm at City Park.
- Reminder: National Night Out will be held on Tuesday, August 7.
- Reminder: Next budget meeting will be on July 26, 2018 at 6:30 p.m.

ITEM 7. COUNCIL AND STAFF COMMENTS – ITEMS OF COMMUNITY INTEREST.

Councilmember Westmoreland thanked staff for their dedication to the budget process. He thanked employees and encouraged everyone that works outdoors to stay hydrated and safe.

Councilmember Mendoza expressed condolences to the DeLeon family for their loss. He thanked all involved with the Movies in the Park event and he thanked Councilman Castillo for providing snow cones at the movie.

Mayor Pro-Tem Sanchez expressed condolences to the DeLeon family for their loss. She thanked staff for street repairs on Church Street. She invited everyone to attend the annual Jamaica at the St. Mary's Catholic Church.

Councilmember McGregor encouraged everyone to stay cool during the hot weather. She thanked staff and congratulated the Library for a successful anniversary celebration.

Councilmember Castillo expressed condolences to Judge Raymond DeLeon for the loss of his father. He thanked all that attended the movies in the park. He invited everyone to the St. Mary's Jamaica and thanked staff for their work.

Councilmember Michelson thanked staff for working on the budget. He invited everyone to join in the National Night Out block parties on August 7, 2018.

Mayor White reminded citizens about the summer fan program hosted by the City of Lockhart. He thanked Councilmembers Castillo and Mendoza for hosting snow cones at the Movies in the Park. He also thanked staff for their hard work during the budget process. He invited everyone to attend the Retirement reception on July 19th honoring Vance Rodgers, even though his retirement date has been extended to October 2018.

ITEM 8. 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 8:27 p.m.


PASSED and APPROVED this the 9th day of August 2018.

CITY OF LOCKHART



Lew White, Mayor

ATTEST:



Connie Constancio, TRMC
City Secretary

