

**PUBLIC NOTICE**

**AGENDA**

**LOCKHART CITY COUNCIL**

**TUESDAY, AUGUST 20, 2019**

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

**6:30 P.M.**

**WORK SESSION (No Action)**

Work session will be held to receive briefings and to initially discuss all items contained on the Agenda posted for 7:30 p.m. Generally, this work session is to simplify issues as it relates to the agenda items. No vote will be taken on any issue discussed or reviewed during the work session.

**DISCUSSION ONLY**

- A. Discussion regarding the City of Lockhart's proposed budget for Fiscal Year 2019-2020.
- B. Discussion minutes of the City Council meeting of August 6, 2019. **36-42 11-19**
- C. Discuss Ordinance 2019-17 amending the City's Code of Ordinances, Chapter 8, Amusements and Entertainment, by adding Article IV, Game Room Establishments, and adding Article XV, Game Room Establishments to Appendix C, Fee Schedule. **43-59**
- D. Discuss a date to canvass the November 5, 2019 General Election between the dates of November 12-18, 2019 and possibly rescheduling the November 19, 2019 Council meeting for canvassing. **60-63**
- E. Discussion regarding Texas Municipal League Intergovernmental Employee Benefits Pool's IRS filing requirements on behalf of the City of Lockhart, and consider Resolution 2019-20 authorizing representation in an IRS matter and delegating authority to execute Form 2848 IRS Power of Attorney to the City Manager. **64-70**
- F. Discuss Resolution 2019-18 approving the President of the Lockhart Economic Development Corporation to pursue a loan from Government Capital located in Southlake, Texas in the amount of \$500,000. **71-80**
- G. Discuss Resolution 2019-19 approving a Type B project under Section 4B of the Texas Economic Development Corporation Act of 1979, as amended, for funding of Promogo (Project Promo) in an amount not to exceed \$500,000 to relocate its corporate headquarters to Lockhart which will create a new industry in Lockhart with 30 jobs over the next five years. **81-96**

**7:30 P.M. REGULAR MEETING**

1. **CALL TO ORDER**  
Mayor Lew White

2. **INVOCATION, PLEDGE OF ALLEGIANCE**  
Invocation.  
Pledge of Allegiance to the United States and Texas flags.

3. **CITIZENS/VISITORS COMMENTS**  
(The purpose of this item is to allow citizens an opportunity to address the City Council on issues that are or are not on the agenda. No discussion can be carried out on the citizen/visitor comment about items not on the agenda.)

4. **PUBLIC HEARING/COUNCIL ACTION**

- A. Hold a public hearing on the City of Lockhart and Economic Development Corporation Fiscal Year 2019-2020 budgets. **5-8**
- B. Hold the first of two public hearings on proposal to increase total tax revenues from properties on the tax roll in the preceding year by 7.5287 percent. The date of the second public hearing will be September 3, 2019 at 7:30 p.m. and the vote on the tax rate will be September 17, 2019 at 7:30 p.m. at the Clark Library Annex—Council Chambers, 217 South Main Street, 3<sup>rd</sup> Floor, Lockhart, Texas 78644. **9-10**
- C. Discussion and/or action regarding the City of Lockhart's proposed budget for Fiscal Year 2019-2020. **11-19**

5. **DISCUSSION AND/OR ACTION ITEMS**

- A. Conduct first reading and discussion regarding Resolution 2019-19 approving a Type B project under Section 4B of the Texas Economic Development Corporation Act of 1979, as amended, for funding of Promogo (Project Promo) in an amount not to exceed \$500,000 to relocate its corporate headquarters to Lockhart which will create a new industry in Lockhart with 30 jobs over the next five years. **20-35**
- B. Discussion and/or action to consider minutes of the City Council meeting of August 6, 2019. **36-42**
- C. Discussion and/or action regarding Ordinance 2019-17 amending the City's Code of Ordinances, Chapter 8, Amusements and Entertainment, by adding Article IV, Game Room Establishments, and adding Article XV, Game Room Establishments to Appendix C, Fee Schedule. **43-59**
- D. Discussion and/or action to consider a date to canvass the November 5, 2019 General Election between the dates of November 12-18, 2019 and possibly rescheduling the November 19, 2019 Council meeting for canvassing. **60-63**

**DISCUSSION AND/OR ACTION ITEMS continued.....**

- E. Discussion and/or action regarding Texas Municipal League Intergovernmental Employee Benefits Pool's IRS filing requirements on behalf of the City of Lockhart, and consider Resolution 2019-20 authorizing representation in an IRS matter and delegating authority to execute form 2848 IRS Power of Attorney to the City Manager. 64-70
- F. Discussion and/or action regarding Resolution 2019-18 approving the President of the Lockhart Economic Development Corporation to pursue a loan from Government Capital located in Southlake, Texas in the amount of \$500,000. 71-80
- G. Conduct second reading and discussion and/or action regarding Resolution 2019-19 approving a Type B project under Section 4B of the Texas Economic Development Corporation Act of 1979, as amended, for funding of Promogo (Project Promo) in an amount not to exceed \$500,000 to relocate its corporate headquarters to Lockhart which will create a new industry in Lockhart with 30 jobs over the next five years. 81-96
- H. Discussion and/or action regarding appointments to various boards, commissions or committees. 97-104

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

- City awarded Texas Department of Agriculture grant in the amount of \$300,000 to continue a 18" water transmission line from Lockhart Water Plant to S. Commerce Street behind the Serta Mattress plant.
- Hays and Caldwell Counties United Way Kickoff event will be held on Wednesday, August 28 from 8-9:30 a.m. at the San Marcos Activity Center.
- Update regarding the October - July 2019 Revenue and Expenditure Report.
- The Lockhart Animal Shelter participated in the "Clear the Shelters" event held on August 17<sup>th</sup>.
- Update: The Water Department is continuing to install a 12" water main on FM 1322 near the Summerside Subdivision.
- The Culinary Room and the Downtown Business Association will be hosting a BBQ Cookout on the 100 Block of North Main Street on Saturday, August 17<sup>th</sup> from 7-10pm. This event is free to the public and will offer live music. Main Street will be closed for this event from San Antonio to Walnut.
- TxDOT contractors have started on the new traffic signal and pedestrian crossing that will be installed at the intersection of US 183 and the north Wal-Mart entrance.

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

*(\*\*Items of Community Interest defined below)*

8. **EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.071 - PRIVATE CONSULTATION WITH ITS ATTORNEY TO SEEK ADVICE ABOUT PENDING OR CONTEMPLATED LITIGATION; AND/OR SETTLEMENT OFFER and SECTION 551.072. TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE GOVERNMENTAL BODY IN NEGOTIATIONS WITH A THIRD PERSON.**

A. Discussion with City Attorney regarding possible transfer of land for service area and water Certificates of Convenience and Necessity (CCNs) from Polonia Water Supply Corporation.

9. **OPEN SESSION.**

A. Discussion and/or action regarding transfer of land for service area and water Certificates of Convenience and Necessity (CCNs) from Polonia Water Supply Corporation.

10. **ADJOURNMENT**

*\*\* Items of Community Interest includes: 1) expressions of thanks, congratulations or condolence; 2) information regarding holiday schedules; 3) an honorary or salutary recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutary recognition for purposes of this subdivision; 4) a reminder about an upcoming event organized or sponsored by the governing body; 5) information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official employee of the municipality; and 6) announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda. (SB 1182 - effective 09/01/2009)*

City Council shall have the right at anytime to seek legal advice in Executive Session from its Attorney on any agenda item, whether posted for Executive Session or not.

I certify that the above notice of meeting was posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 16<sup>th</sup> day of August 2019 at 4:30 pm. I further certify that the following News Media was properly notified of this meeting as stated above: Lockhart Post-Register

*Connie Constancio*

Connie Constancio, TRMC  
City Secretary

# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:** Public hearing for the City of Lockhart and Lockhart Economic Development Corporation FY 2019-2020 Budgets.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:** The City Charter requires that the City Council hold a public hearing for the Fiscal year 2019-2020 City of Lockhart Budget. Notice of Public hearings for the City of Lockhart and the Lockhart Economic Development Corporation Fiscal year 2019-2020 was published in the Lockhart Post Register on August 15, 2019.

**PROJECT SCHEDULE (if applicable):**

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required: 0  
Account Number: n/a  
Funds Available: n/a  
Account Name: n/a

**FISCAL NOTE (if applicable):**

Previous Council Action:

**COMMITTEE/BOARD/COMMISSION ACTION:**

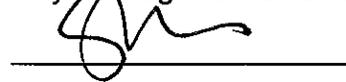
**STAFF RECOMMENDATION/REQUESTED MOTION:**

**LIST OF SUPPORTING DOCUMENTS:** Publication Notice; Main funds budget summaries, LEDC Budget and 3 year plan.

Department Head initials:



City Manager's Review:



## ***NOTICE of Public Hearing***

### **City of Lockhart and Lockhart Economic Development Corp. Fiscal Year 2019-2020 Budgets and the 2019 City of Lockhart Tax Rate**

The City Council of the City of Lockhart and the Board of Directors of the Lockhart Economic Development Corporation notifies the public of public hearings on the following items that will be presented to the City Council for their consideration:

Public hearing for early citizen input regarding the use of City funds for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

Public hearing for early citizen input regarding the City of Lockhart 2019 Tax Rate.

The City Council will hold public hearings on August 20, 2019 at 7:30 p.m. and September 3, 2019 at 7:30 p.m. at the Council Chambers, Clark Library Annex, 217 South Main Street, 3rd Floor, Lockhart, Texas to allow for public comments on the upcoming budget and tax rate.

Copies of the budgets are available for public inspection at the desk of the City Secretary, and at the Dr. Eugene Clark Library. Ordinances establishing the budget and property tax rates for the year October 1, 2019 through September 30, 2020 will be considered on September 17, 2019 at 7:30 p.m. at the Council Chambers, Clark Library Annex, 217 South Main Street, 3rd Floor, Lockhart, Texas.

All interested persons are invited and encouraged to attend the hearing.

**CITY OF LOCKHART  
BUDGET  
FISCAL YEAR 2019-2020**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	FY 2019-2020		
				PROPOSED BUDGET	REVISED BUDGET	ADOPTED BUDGET
<b>REVENUE SUMMARY</b>						
GENERAL FUND	10,104,475	10,098,400	10,436,880	11,040,669	11,350,813	0
DEBT SERVICE FUND	1,040,730	1,070,421	1,108,500	1,107,543	1,107,543	0
ELECTRIC FUND	11,731,805	10,879,951	11,941,435	12,592,789	12,592,789	0
WATER FUND	3,491,030	3,936,429	3,986,325	4,113,619	4,179,697	0
WASTEWATER FUND	2,615,703	2,218,390	2,370,250	2,386,694	2,386,694	0
SOLID WASTE FUND	1,743,497	1,769,652	1,830,566	1,863,889	1,863,889	0
EMS FUND	2,081,243	1,263,348	1,539,036	2,126,407	1,299,246	0
AIRPORT FUND	73,094	75,109	82,860	81,992	81,992	0
LOCKHART ECO DEV FUND	943,273	884,689	1,007,433	969,686	969,745	0
<b>TOTAL - REVENUES</b>	<b>33,824,850</b>	<b>32,196,389</b>	<b>34,303,285</b>	<b>36,283,288</b>	<b>35,832,408</b>	<b>0</b>
<b>EXPENSE SUMMARY</b>						
GENERAL FUND	9,529,580	10,098,400	9,545,414	10,953,401	10,895,835	0
DEBT SERVICE FUND	1,085,677	1,092,155	1,092,155	1,061,843	1,061,843	0
ELECTRIC FUND	11,262,929	10,879,951	11,641,073	12,304,926	12,293,986	0
WATER FUND	3,495,713	3,936,429	3,834,936	4,044,404	4,147,549	0
WASTEWATER FUND	2,091,199	2,218,390	2,169,754	2,081,714	2,207,251	0
SOLID WASTE FUND	1,716,140	1,715,336	1,690,503	1,809,318	1,817,008	0
EMS FUND	1,218,507	1,263,348	1,291,547	1,299,246	1,299,246	0
AIRPORT FUND	47,313	41,500	28,933	63,339	54,965	0
LOCKHART ECO DEV FUND	721,073	3,575,115	783,785	969,686	969,745	0
<b>TOTAL - EXPENSES</b>	<b>31,168,131</b>	<b>34,820,624</b>	<b>32,078,100</b>	<b>34,587,877</b>	<b>34,747,428</b>	<b>0</b>

**LOCKHART ECONOMIC DEVELOPMENT CORPORATION  
MULTI-YEAR FINANCIAL PLAN**

	<u>FY 2018-2019 BUDGET</u>	<u>YTD ACTUAL 7/31/2019</u>	<u>FY 2019-2020 BUDGET</u>	<u>FY 2020-2021 BUDGET</u>	<u>FY 2021-2022 BUDGET</u>
<b><u>Revenues</u></b>					
Fund Balance Forward	\$ 2,862,636	\$ 2,862,636	\$ 1,607,829	\$ 1,607,829	\$ 1,607,721
Sales Tax	791,549	801,476	863,743	863,743	889,655
Other Income	73,140	60,938	73,140	73,140	73,140
Miscellaneous	-	-	-	-	-
Interest	20,000	55,543	32,862	32,803	32,803
<b><u>Total Revenues</u></b>	<b>\$ 884,689</b>	<b>\$ 917,957</b>	<b>\$ 969,745</b>	<b>\$ 969,686</b>	<b>\$ 995,598</b>
<b><u>Expenditures</u></b>					
Salaries & Benefits	\$ 171,806	\$ 139,626	\$ 208,711	\$ 210,070	\$ 220,574
Audit, Financial & Accounting	4,000	4,000	4,000	4,000	4,400
Liability Insurance	4,000	-	4,000	4,000	4,200
Marketing & Public Relations	34,200 (1)	14,674	20,000	20,000	20,000
Legal Services	4,000 (2)	5,031	10,000	10,000	10,000
Contract Services	52,000	10,600	112,000	112,000	112,000
Computer Hardware/Software	3,600 (3)	3,440	7,500	7,500	6,000
Building Maint & Utilities	1,000	-	1,000	1,000	2,500
Dues & Subscriptions	15,465 (4)	13,870	5,000	5,000	5,000
Travel & Training	10,000 (5)	(485)	16,000	16,000	16,000
Misc Other Exp	- (6)	5,259	6,059	5,300	2,000
Administration	42,000 (7)	40,447	51,067	51,067	51,578
Transfer to Debt Service	48,044 (8)	44,040	48,103	48,152	63,645
Note Pmts	27,000 (9)	25,532	27,000	27,000	27,000
Engineering Design	-	6,831	3,500	3,500	3,500
Business Improvement Grants			50,000	50,000	50,000
Economic Development	3,158,000	618,580	395,805	395,205	412,744
<b><u>Total Expenditures</u></b>	<b>\$ 3,575,115</b>	<b>\$ 931,445</b>	<b>\$ 969,745</b>	<b>\$ 969,794</b>	<b>\$ 1,011,140</b>
<b><u>Encumbrances</u></b>	<b>-</b>	<b>1,241,319</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Ending Fund Balance</u></b>	<b>\$ 172,210</b>	<b>\$ 1,607,829</b>	<b>\$ 1,607,829</b>	<b>\$ 1,607,721</b>	<b>\$ 1,592,180</b>

**Major Assumptions for 3 Year Plan:**

1. Economic Development Encumbrances:

	Remaining Encumbrances	FY 2019	FY 2020	FY 2021
1) Debt - 2016 Combination Tax & Revenue Certificate of Obligation	4,004	48,103	48,152	63,645
2) Note - First Lockhart National Bank Loan - 119 E. MLK	1,468	26,949	27,000	27,000
3) Administration Transfer to General Fund	1,553	-	-	-
4) See Attached spreadsheet for LEDC Projects	1,234,294	-	-	-
<b>Total</b>	<b>\$ 1,241,319</b>	<b>\$ 75,052</b>	<b>\$ 75,152</b>	<b>\$ 90,645</b>

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# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:** City Council will hold the first of two public hearings on proposal to increase total tax revenues from properties on the tax roll in the preceding year by 7.5287 percent. The date of the second public hearing will be September 3, 2019 at 7:30 p.m. and the vote on the tax rate will be September 17, 2019 at 7:30 p.m. at the Clark Library Annex – Council Chambers, 217 South Main St., 3<sup>rd</sup> Floor, Lockhart, TX 78644.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:** This is the first of two public hearings concerning the increase of tax revenues if the proposed tax rate exceeds the effective rate proposed by the Caldwell County Appraisal District. These public hearings are required by the Truth in Taxation laws for the State of Texas.

**PROJECT SCHEDULE (if applicable):**

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required: 0  
Account Number: n/a  
Funds Available: n/a  
Account Name: n/a

**FISCAL NOTE (if applicable):**

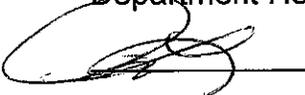
Previous Council Action:

**COMMITTEE/BOARD/COMMISSION ACTION:**

**STAFF RECOMMENDATION/REQUESTED MOTION:**

**LIST OF SUPPORTING DOCUMENTS:** Lockhart Post Register Publication of Notice of 2019 Tax Year Proposed Property Tax Rate.

Department Head initials:



City Manager's Review:



# NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE FOR

## City of Lockhart

A tax rate of \$0.684200 per \$100 valuation has been proposed by the governing body of City of Lockhart. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of City of Lockhart proposes to use revenue attributable to the tax rate increase for the purpose of general government activities.

PROPOSED TAX RATE	\$0.684200 per \$100
PRECEDING YEAR'S TAX RATE	\$0.710700 per \$100
EFFECTIVE TAX RATE	\$0.644200 per \$100
ROLLBACK TAX RATE	\$0.688300 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City of Lockhart from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that City of Lockhart may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Shanna Ramzinski  
City of Lockhart Tax Assessor-Collector Tax Assessor-Collector  
211 Bufkin Lane, Lockhart, TX  
512-398-5550  
shannar@caldwellcad.org  
www.caldwellcad.org

You are urged to attend and express your views at the following public hearings on proposed tax rate:  
First Hearing: 08/20/2019 7:30 PM at Clark Library Annex-Council Chambers, 217 South Main St., 3rd Floor, Lockhart, TX.

Second Hearing: 09/03/2019 7:30 PM at Clark Library Annex-Council Chambers, 217 South Main St., 3rd Floor, Lockhart, TX.

# City of Lockhart, Tx

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:** Discussion and/or action of the City of Lockhart's Proposed Budget for Fiscal year 2019-2020.

**ORIGINATING DEPARTMENT AND CONTACT:** Finance – Pam Larison

**ACTION REQUESTED:**

- ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:** August 12<sup>th</sup> and 13<sup>th</sup> the City Manager presented the Proposed Budget for Fiscal year 2019-2020 to Council. This agenda item allows for Council to suggest any budget allocations or deletions from the Budget before acceptance.

**PROJECT SCHEDULE (if applicable):**

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required:            0  
Account Number:           n/a  
Funds Available:           n/a  
Account Name:             n/a

**FISCAL NOTE (if applicable):**

Previous Council Action:

**COMMITTEE/BOARD/COMMISSION ACTION:**

**STAFF RECOMMENDATION/REQUESTED MOTION:**

**LIST OF SUPPORTING DOCUMENTS:** Budget Summaries for General Fund, Electric, Water, Wastewater, Solid Waste, EMS, Airport, and Lockhart Economic Development Funds.

Department Head initials:



City Manager's Review:



**100 - GENERAL FUND  
GENERAL FUND  
SUMMARY**

	2017-18 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	PROPOSED BUDGET	REVISED BUDGET	ADOPTED BUDGET
<b>REVENUES</b>	<b>10,104,475</b>	<b>10,098,400</b>	<b>10,436,880</b>	<b>11,040,669</b>	<b>11,350,813</b>	<b>0</b>
<b>EXPENSES</b>						
MAYOR/COUNCIL	240,919	308,910	228,956	239,098	216,343	0
TAX	121,939	124,663	124,663	125,000	129,270	0
CITY MANAGER	386,637	454,881	397,126	481,561	479,045	0
ECONOMIC DEVELOPMENT	18,981	0	15,802	40,025	40,025	0
FINANCE	284,636	300,522	240,029	280,661	278,946	0
INFORMATION SVCS	108,791	105,210	213,162	137,512	137,512	0
CIVIL SERVICE	39,939	51,150	31,223	36,628	36,477	0
COMMUNITY FACILITIES	11,396	10,922	11,894	16,425	16,425	0
COMMUNICATIONS	568,374	578,074	605,329	622,795	617,453	0
ANIMAL CONTROL	324,449	374,431	357,074	378,070	375,104	0
MUNICIPAL COURT	230,768	267,477	263,046	291,675	290,452	0
POLICE	2,762,050	2,878,289	2,769,891	3,020,526	3,005,717	0
FIRE	1,092,609	1,268,983	1,202,208	1,463,800	1,473,677	0
LIBRARY	542,554	541,791	492,114	550,648	547,348	0
PARKS & RECREATION	393,341	461,932	337,301	543,138	538,965	0
PLANNING & DEVELOPMENT	362,430	368,077	365,280	384,552	382,118	0
BUILDING INSPECTION	255,620	239,725	224,687	240,090	238,860	0
PUBLIC WORKS	162,789	128,583	120,180	162,832	162,007	0
GARAGE MAINTENANCE	190,374	221,502	189,098	331,195	329,136	0
CEMETERY	86,906	105,642	87,751	105,940	105,653	0
STREETS & ROW	1,153,925	1,112,495	1,080,251	1,187,774	1,181,846	0
NON-DEPARTMENTAL	190,153	195,141	188,349	313,456	313,456	0
<b>TOTAL - EXPENSES</b>	<b>9,529,580</b>	<b>10,098,400</b>	<b>9,545,414</b>	<b>10,953,401</b>	<b>10,895,835</b>	<b>0</b>
<b>TOTAL - GENERAL FUND</b>	<b>574,895</b>	<b>0</b>	<b>891,466</b>	<b>87,268</b>	<b>454,978</b>	<b>0</b>

**500 - ELECTRIC UTILITY FUND**

**ELECTRIC  
SUMMARY**

	<b>2017-2018 ACTUAL</b>	<b>2018-19 BUDGET</b>	<b>2018-19 ESTIMATE</b>	<b>PROPOSED BUDGET</b>	<b>REVISED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>	11,731,805	10,879,951	11,941,435	12,592,789	12,592,789	0
<b>EXPENSES</b>						
<b>BILLING</b>	645,668	797,656	654,408	745,599	740,886	0
<b>DISTRIBUTION</b>	858,680	1,193,907	997,134	1,936,047	1,929,820	0
<b>NON-DEPARTMENTAL</b>	9,758,581	8,888,388	9,989,531	9,623,280	9,623,280	0
<b>TOTAL - ELECTRIC</b>	11,262,929	10,879,951	11,641,073	12,304,926	12,293,986	0
<b>TOTAL - ELECTRIC</b>	468,876	0	300,362	287,863	298,803	0

520 - WATER UTILITY FUND

WATER  
SUMMARY

	2017-2018 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	PROPOSED BUDGET	REVISED BUDGET	ADOPTED BUDGET
REVENUES	3,491,030	3,936,429	3,986,325	4,113,619	4,179,697	0
EXPENSES						
DISTRIBUTION	1,407,905	2,018,495	1,969,635	2,117,380	2,114,079	0
TREATMENT	672,322	701,202	701,202	701,202	807,648	0
NON-DEPARTMENTAL	1,415,486	1,216,732	1,164,099	1,225,822	1,225,822	0
TOTAL - WATER	3,495,713	3,936,429	3,834,936	4,044,404	4,147,549	0
TOTAL - WATER	-4,683	0	151,389	69,215	32,148	0

**540 - WASTEWATER UTILITY FUND**

**WASTEWATER  
SUMMARY**

	<b>2017-2018 ACTUAL</b>	<b>2018-19 BUDGET</b>	<b>2018-19 ESTIMATE</b>	<b>PROPOSED BUDGET</b>	<b>REVISED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>	<b>2,615,703</b>	<b>2,218,390</b>	<b>2,370,250</b>	<b>2,386,694</b>	<b>2,386,694</b>	<b>0</b>
<b>EXPENSES</b>						
<b>COLLECTION</b>	<b>483,742</b>	<b>523,991</b>	<b>475,559</b>	<b>421,077</b>	<b>418,558</b>	<b>0</b>
<b>TREATMENT</b>	<b>707,954</b>	<b>735,711</b>	<b>735,711</b>	<b>735,711</b>	<b>863,416</b>	<b>0</b>
<b>NON-DEPARTMENTAL</b>	<b>899,503</b>	<b>958,688</b>	<b>958,484</b>	<b>924,926</b>	<b>925,277</b>	<b>0</b>
<b>TOTAL - WASTEWATER</b>	<b>2,091,199</b>	<b>2,218,390</b>	<b>2,169,754</b>	<b>2,081,714</b>	<b>2,207,251</b>	<b>0</b>
<b>TOTAL - WASTEWATER</b>	<b>524,504</b>	<b>0</b>	<b>200,496</b>	<b>304,980</b>	<b>179,443</b>	<b>0</b>

**560 - SOLID WASTE FUND**

**SOLID WASTE  
SUMMARY**

	<b>2017-2018 ACTUAL</b>	<b>2018-19 BUDGET</b>	<b>2018-19 ESTIMATE</b>	<b>PROPOSED BUDGET</b>	<b>REVISED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>	<b>1,743,497</b>	<b>1,769,652</b>	<b>1,830,566</b>	<b>1,863,889</b>	<b>1,863,889</b>	<b>0</b>
<b>EXPENSES</b>						
<b>HAND COLLECTION</b>	<b>878,407</b>	<b>869,018</b>	<b>873,049</b>	<b>972,151</b>	<b>967,303</b>	<b>0</b>
<b>BIN COLLECTION</b>	<b>486,911</b>	<b>516,999</b>	<b>496,858</b>	<b>516,723</b>	<b>529,490</b>	<b>0</b>
<b>RECYCLING</b>	<b>53,272</b>	<b>40,789</b>	<b>32,068</b>	<b>52,376</b>	<b>52,147</b>	<b>0</b>
<b>LAND-FILL</b>	<b>19,470</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>700</b>	<b>0</b>
<b>NON-DEPARTMENTAL</b>	<b>278,080</b>	<b>287,830</b>	<b>287,828</b>	<b>267,368</b>	<b>267,368</b>	<b>0</b>
<b>TOTAL - SOLID WASTE</b>	<b>1,716,140</b>	<b>1,715,336</b>	<b>1,690,503</b>	<b>1,809,318</b>	<b>1,817,008</b>	<b>0</b>
<b>TOTAL - SOLID WASTE</b>	<b>27,357</b>	<b>54,316</b>	<b>140,063</b>	<b>54,571</b>	<b>46,881</b>	<b>0</b>

570 - EMS FUND

EMS  
SUMMARY

	2017-2018 ACTUAL	2018-19 BUDGET	2018-19 ESTIMATE	PROPOSED BUDGET	REVISED BUDGET	ADOPTED BUDGET
REVENUES	2,081,243	1,263,348	1,539,036	2,126,407	1,299,246	0
EXPENSES	1,218,507	1,263,348	1,291,547	1,299,246	1,299,246	0
TOTAL - EMS	<u>862,736</u>	<u>0</u>	<u>247,489</u>	<u>827,161</u>	<u>0</u>	<u>0</u>

**580 - AIRPORT  
AIRPORT  
SUMMARY**

	<b>2017-2018 ACTUAL</b>	<b>2018-19 BUDGET</b>	<b>2018-19 ESTIMATE</b>	<b>PROPOSED BUDGET</b>	<b>REVISED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>	73,094	75,109	82,860	81,992	81,992	0
<b>EXPENSES</b>	47,313	41,500	28,933	63,339	54,965	0
<b>TOTAL - AIRPORT</b>	<b>25,781</b>	<b>33,609</b>	<b>53,927</b>	<b>18,653</b>	<b>27,027</b>	<b>0</b>

**800 - LOCKHART ECONOMIC DEVELOPMENT CORPORATION**

**LEDC  
SUMMARY**

	<b>2017-2018 ACTUAL</b>	<b>2018-19 BUDGET</b>	<b>2018-19 ESTIMATE</b>	<b>PROPOSED BUDGET</b>	<b>REVISED BUDGET</b>	<b>ADOPTED BUDGET</b>
<b>REVENUES</b>	943,273	884,689	1,007,433	969,686	969,745	0
<b>EXPENSES</b>	721,073	3,575,115	783,785	969,686	969,745	0
<b>TOTAL - LEDC</b>	<b>222,200</b>	<b>(2,690,426)</b>	<b>223,648</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LEDC Projects</b>						
<b>(Encumbered)</b>						
Pure Castings				(197,518)		
Benny Boyd				(212,091)		
Chunilol (Schlotsky's)				(29,716)		
Lockhart Emergency Care Ctr				(466,000)		
Crop One				(491,049)		
Visionary Fiber Technologies				(92,644)		
				<b>(1,489,018)</b>		
<b>TOTAL - LEDC **</b>	<b>222,200</b>	<b>(2,690,426)</b>	<b>223,648</b>	<b>(1,489,018)</b>	<b>0</b>	<b>0</b>

# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:**

Conduct first reading of Resolution 2019-19 approving a Type B project under Section 4B of the Texas Economic Development Corporation Act of 1979, as amended, for funding of Promogo (Project Promo) in an amount not to exceed \$500,000 to relocate its corporate HQ to Lockhart which will create a new industry in Lockhart with 30 jobs over the next 5 years.

**ORIGINATING DEPARTMENT AND CONTACT:** Economic Development, Mike Kamerlander

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

The Lockhart Economic Development Corporation (LEDC) held the required public hearing on August 15, 2019. The board voted 4-2 to approve LEDC Resolution 2019-04 and associated Performance Agreement. The LEDC received input from representatives of Promogo, staff, and project scope review.

**PROJECT SCHEDULE (if applicable):**

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required:

Account Number:

Funds Available:

Account Name:

**FISCAL NOTE (if applicable):**

Previous Council Action:

**COMMITTEE/BOARD/COMMISSION ACTION:** LEDC Board 4-2 approval

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff respectfully recommends approval of Resolution 2019-19 as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution 2019-19, LEDC Resolution 2019-04, Performance Agreement, LEDC August 15, 2019 agenda and minutes.

Department Head initials:

MA

City Manager's Review:



**RESOLUTION NO. R-2019-19**

**A RESOLUTION OF THE CITY COUNCIL OF LOCKHART APPROVING A PERFORMANCE AGREEMENT FOR AN AUTHORIZED PROJECT PURSUANT TO CHAPTERS 501 AND 505, TEXAS LOCAL GOVERNMENT CODE, SUCH PROJECT BEING KNOWN AS "PROJECT PROMO."**

**WHEREAS**, the Lockhart Economic Development Corporation ("LEDC") is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

**WHEREAS**, Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation ("Promogo") has applied to LEDC for financial incentives for a project whereby Promogo will have a building in the City of Lockhart renovated to be used as multi-tenant business facility; and

**WHEREAS**, the project will create primary jobs in the City of Lockhart and qualifies as a project pursuant to Chapters 501 and 505, Texas Local Government Code; and

**WHEREAS**, the Board of Directors finds that the project will promote new or expanded business development in the City of Lockhart and the surrounding area; and

**WHEREAS**, the Board of Directors is of the opinion that approving a performance agreement for the project and providing financial incentives for its implementation is in the best interests of the LEDC and the City of Lockhart;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF LOCKHART, TEXAS, that:**

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The Performance Agreement by and between the LEDC and Promogo, attached hereto as Exhibit "A" and incorporated herein is hereby approved and authorized.
3. The Executive Director of the LEDC is directed to take such steps as are necessary to obtain approval of the City Council of Lockhart for the project and Performance Agreement, in the manner required by law, and to take such other steps, including the issuance of notice and the holding of a public hearing, that will authorize and implement the project and performance agreement and payment of financial incentives thereunder.

Approved and adopted on this, the \_\_\_\_ day of \_\_\_\_\_, 2019.

**City of Lockhart**

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

**Attest:**

**Approved as to form:**

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

\_\_\_\_\_  
Monte Akers, City Attorney

**ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT**

This Economic Development Performance Agreement (“Agreement”) is made and entered into by and between THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION OF LOCKHART, TEXAS (“LEDC”), a Type B Economic Development Corporation, and Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation (“PROMOGO”).

**RECITALS**

**WHEREAS**, PROMOGO desires to locate and operate inside a Multi-tenant business facility in the City of Lockhart, Texas (“City”) and participate in the Economic Development Program established in this Agreement; and

**WHEREAS**, PROMOGO is in the process of securing and having renovated a building in the City of Lockhart that belongs to Sabot Development, Ltd., a Texas corporation (“Sabot”) it intends to lease portions of for the purpose of establishing the Multi-tenant business facility; and

**WHEREAS**, the LEDC desires to establish the Economic Development Program outlined herein and to offer incentives to PROMOGO to locate such business in the City; and

**WHEREAS**, the City of Lockhart will enter into an economic development agreement pursuant to Chapter 380, Texas Local Government Code for the purpose of providing financial incentive to Sabot to renovate and lease the building to PROMOGO; and

**WHEREAS**, LEDC is authorized to promote state and local economic development and to stimulate business and commercial activity within the City, and LEDC has determined that substantial economic benefits, including the bringing of new primary jobs to the City, an increase in the City’s tax rolls, and the creation of new opportunities for local employment, will accrue to the City and the surrounding area, if such business is successfully developed on such property; and

**WHEREAS**, LEDC and PROMOGO desire to enter into this Agreement in order to comply with Sec. 501.158, Texas Local Government Code, which requires an economic development corporation, in order to offer incentives or make expenditures on behalf of a business enterprise under a project, to enter into a performance agreement that addresses a schedule of jobs created or retained, capital investment to be made, direct incentives provided, and the terms under which repayment shall be made in the event a business enterprise does not meet the requirements specified in the Agreement;

**NOW THEREFORE**, in consideration of the foregoing and the covenants, agreements, representations, and warranties hereinafter set forth and for other good and

valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LEDC and PROMOGO agree as follows:

## AGREEMENTS

### Section 1. Recitals

The recitals set forth above are incorporated herein by reference as if fully set forth in their entirety.

### Section 2: Definitions

(a) "Building" shall mean the building belonging to Sabot Development or another entity that is located at another address located within the Lockhart city limits with property of comparable value.

(b) "Effective Date" shall mean the date, at or following execution of this Agreement, that PROMOGO provides LEDC with a copy of an executed lease of the Building by PROMOGO as lessee and Sabot or its legal successor as lessor.

(c) "Full Time Equivalent Job" ("FTE Job") shall mean a permanent, full time equivalent employment position that meets the definition of a "Primary Job" pursuant to Sec. 501.002(12), Texas Local Government Code, and at which the employee is employed on December 31st of each year of the term of this Agreement at an average annual compensation level of Thirty-Six Thousand Dollars (\$36,000.00) plus health insurance benefits. Two part-time jobs, but no more than two, may be counted as one FTE Job for the purposes of this Agreement if compensation and health insurance requirements are met. It is the intent of the parties that "full time" shall mean 2080 hours employment in a normal calendar year.

### Section 3: Term

The term of this Agreement shall be five (5) years, commencing on January 1st, 2020, the effective date of this Agreement, and terminating at midnight on the day immediately preceding the fifth anniversary of the effective date.

### Section 4. PROMOGO Requirements

In consideration of the financial incentives described, offered, and to be paid by LEDC pursuant to this Agreement, PROMOGO agrees:

(a) To enter into a lease of a building or portions thereof in order to have the Building renovated for use of portions thereof as a Multi-tenant business facility. Temporary leased space within Lockhart City Limits qualifies as long as PROMOGO demonstrates ongoing commitment to a permanent location facilitating the investment requirement of at least \$2 million and does not

- exceed 2 years in length including subsequent lease agreements unless otherwise approved in writing by LEDC.
- (b) To notify LEDC in writing when the Building has been satisfactorily renovated, Sabot has received a Certificate of Occupancy from the City of Lockhart and specifying the date that PROMOGO will move into the Building and begin operation of the Multi-tenant business facility therein.
  - (c) To move into the Building and commence operations by the date specified under Section 4(b);
  - (d) To create and employ at least thirty (30) employees in Full Time Equivalent Jobs over the term of this Agreement, at a rate of at least five such jobs per year.
  - (e) To continue operating the Multi-tenant business facility business in the Building (or at such other location in the City approved by the LEDC) throughout the term of this Agreement;
  - (f) To maintain the number of Full Time Equivalent Jobs created pursuant to Section 4(e) throughout the term of this Agreement.
  - (g) To keep current in the payment of taxes owed by Promogo to any taxing jurisdiction having jurisdiction in connection with its operations in Lockhart.
  - (h) To provide payroll records to LEDC annually showing compliance with Section 4(f) as well as Employment and Payroll Certification as of December 31 of each year, beginning in 2020, during the term of this Agreement.
  - (i) To meet all requirements of this Agreement and to comply with all applicable City of Lockhart ordinances, state and federal law, and related requirements during the term of this Agreement.

#### Section 5. LEDC Requirements

In consideration of PROMOGO agreement to locate its business within the City and to perform the other acts described herein, LEDC agrees it will:

- (a) To provide PROMOGO a forgivable loan of not to exceed Five Hundred Thousand Dollars (\$500,000.00), payable as follows:
  1. Three Hundred Thousand Dollars (\$300,000.00) to be paid to PROMOGO no later than thirty (30) days following LEDC's receipt of satisfactory written documentation of PROMOGO's fulfillment of the requirements described in Section 4(a).
  2. Two Hundred Thousand Dollars (\$200,000.00) to be paid to PROMOGO no later than thirty (30) days following LEDC's receipt of satisfactory written documentation of PROMOGO's fulfillment of the requirements described in Section 4(c) above.
- (b) In the event of fulfilment of the requirements described in Sections 4(a), 4(b), and 4(c) above, then to forgive \$250,000 or fifty percent (50%) of the loan made by LEDC to PROMOGO described in this Section and to provide PROMOGO with written documentation that repayment of this portion of the loan or any part thereof is forgiven and that repayment of this portion of the loan is not

required.

- (c) In the event that PROMOGO fully performs its requirements and obligations under this Agreement, then to forgive the remaining portion of the loan made by LEDC to PROMOGO described in this Section and to provide PROMOGO with written documentation that repayment of the remaining portion of the loan or any part thereof is forgiven and that repayment of the loan is not required.
- (d) In the event that PROMOGO fails to fully perform its requirements and obligations under this Agreement, then to notify PROMOGO in writing that the loan shall not be forgiven and that PROMOGO shall be legally obligated to repay the loan to LEDC pursuant to terms then specified in writing to PROMOGO by LEDC, which terms will not be in conflict with any repayment/reimbursement requirements pursuant to Section 5 hereof.

#### Section 6. Recapture/Termination

- (a) In the event that PROMOGO begins operating its business, but subsequently discontinues operating its business in Lockhart for any reason except as a result of fire, explosion, or other casualty or accident, force majeure or other natural disaster, war or civil unrest, a taking under eminent domain, regulatory restrictions of any applicable governmental entity which makes conduct of the PROMOGO illegal or economically untenable, or other event beyond the reasonable control of PROMOGO: (the "Business Interruption Exceptions") for a period of more than one hundred eighty (180) days during the term of this Agreement, then in such event PROMOGO shall be required to repay to LEDC any and all monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following the expiration of such period. The burden shall be upon PROMOGO to prove to the satisfaction of the LEDC that the discontinuance of operating its business was a result of one of the Business Interruption Exceptions. In the event PROMOGO meets this burden and the LEDC is satisfied that the discontinuance of the operation of the software company was the result of events beyond the control of PROMOGO, the parties shall commemorate such satisfaction in a document signed and dated by the Parties. PROMOGO shall then have a period of one (1) year from the date operations of its business were discontinued in which to resume business operations.
- (b) In the event that following the occurrence of a Business Interruption Exception which may reasonably be cured within one year of the cessation of business operations, then should PROMOGO fail to resume business operations within one (1) year of the date of discontinuance of operations, PROMOGO shall be required to repay LEDC any monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following the expiration of the one year period.
- (c) In the event that PROMOGO fails to meet the requirements for creation of jobs described in Section 4(f) or 4(h), then PROMOGO shall be obligated to

reimburse LEDC at a rate of Five Thousand Dollars (\$5,000.00) for each job that PROMOGO has failed to either create or maintain over the term of this Agreement, payment to be made within thirty (30) days of written demand therefore from LEDC to PROMOGO.

- (d) In the event that PROMOGO allows ad valorem taxes owed to the City of Lockhart, Texas on the Property, or its business personal property or inventory to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, PROMOGO shall be required to repay LEDC any monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following such event.

#### Section 7. Certification of Compliance by PROMOGO

On or before March 1 and again on or before June 1 of each year that this Agreement is in effect, PROMOGO shall certify in writing to the LEDC that it is in compliance with all provisions of this Agreement. Such certification shall include any and all documentation required by the LEDC establishing that PROMOGO has met the annual employment requirement for the previous year and that all taxes related to the Property have been paid in full as required by law. Certification provided on June 1 will be limited in scope to any FTE Jobs created between October 1 and December 31 of the preceding year, certified as of March 31. The LEDC, upon reasonable notice and at any reasonable time, shall have the right to review any and all records of related to the provisions of this Agreement, including but not limited to FTE positions created or retained, capital investments made, and use or distribution of and direct incentives received.

#### Section 8. Dispute Resolution, Applicable Law, Venue, and Attorneys Fees

(a) In the event of any controversy or claim arising out of or relating to this Agreement or the breach of this Agreement, the parties shall attempt in good faith to resolve the same by good faith mediation before a mediator agreed to by the parties. LEDC and PROMOGO expressly waive any statutory or other legal requirements that may exist for serving notices or engaging in alternative dispute resolution prior to doing so.

(b) In the event that the claim or controversy is not settled by mediation or any other alternative dispute resolution method agreed to by the parties, either party may file suit in a court of competent jurisdiction sitting in the State of Texas. Venue shall lie in Caldwell County, Texas. The prevailing party in any litigation arising out of this Agreement shall be entitled to recover its reasonable and necessary costs and attorney's fees from the non-prevailing party pursuant to applicable law.

#### Section 9. Entire Agreement

This Agreement, when executed, contains the entire agreement between the LEDC and PROMOGO with respect to the transactions contemplated herein. This Agreement may be amended, altered, or revoked only by written instrument signed by the LEDC and PROMOGO.

Section 10. Successors and Assigns

This Agreement may not be assigned to any third party by PROMOGO without the written consent of LEDC. In the event of such assignment or in the event of legal succession of PROMOGO interest in this Agreement by operation of law, this Agreement shall be binding on and inure to the benefit of such assign or successor.

Section 11. Notices

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses or at such addresses provided by the parties in writing hereafter:

PROMOGO:

Silicon Vegas, LLC, d/b/a PROMOGO  
Attn: CEO  
51 Rainey Street, Suite 2101  
Austin, TX 78701

Lockhart Economic Development Corporation:

Lockhart Economic Development Corporation  
Attn: Executive Director  
308 W. San Antonio  
P.O. Box 239  
Lockhart, TX 78644

Section 11. Interpretation

Regardless of the actual drafter of this Agreement, this Agreement shall in the event of dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

Section 12. Severability

In the event that any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then and in that event it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

Section 13. Mutual Assistance

LEDC and PROMOGO agree to do all things reasonably necessary and appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION:**

\_\_\_\_\_  
, President

**ATTEST:**

\_\_\_\_\_  
, LEDC Secretary

**PROMOGO (Silicon Vegas, LLC, d/b/a PROMOGO):**

\_\_\_\_\_  
Jeff Limberg, Founder/CEO

RESOLUTION NO. R-2019-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION APPROVING A PERFORMANCE AGREEMENT FOR AN AUTHORIZED PROJECT PURSUANT TO CHAPTERS 501 AND 505, TEXAS LOCAL GOVERNMENT CODE, SUCH PROJECT BEING KNOWN AS "PROJECT PROMO."

WHEREAS, the Lockhart Economic Development Corporation ("LEDC") is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

WHEREAS, Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation ("Promogo") has applied to LEDC for financial incentives for a project whereby Promogo will have a building in the City of Lockhart renovated to be used as multi-tenant business facility; and

WHEREAS, the project will create primary jobs in the City of Lockhart and qualifies as a project pursuant to Chapters 501 and 505, Texas Local Government Code; and

WHEREAS, the Board of Directors finds that the project will promote new or expanded business development in the City of Lockhart and the surrounding area; and

WHEREAS, the Board of Directors is of the opinion that approving a performance agreement for the project and providing financial incentives for its implementation is in the best interests of the LEDC and the City of Lockhart;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION, that:

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The Performance Agreement by and between the LEDC and Promogo, attached hereto as Exhibit "A" and incorporated herein is hereby approved and authorized.
3. The Executive Director of the LEDC is directed to take such steps as are necessary to obtain approval of the City Council of Lockhart for the project and Performance Agreement, in the manner required by law, and to take such other steps, including the issuance of notice and the holding of a public hearing, that will authorize and implement the project and performance agreement and payment of financial incentives thereunder.

Approved and adopted on this, the 15<sup>th</sup> day of August, 2019.

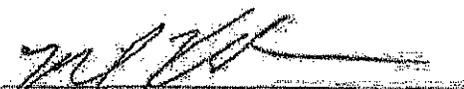
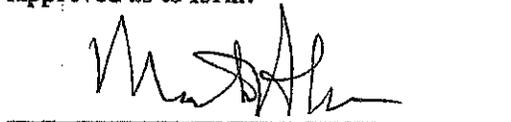
Lockhart Economic Development Corporation



Alan Fielder, ~~President~~ Chairman

Attest:

Approved as to form:

  
Michael Kamerlander, Board Secretary  
Monte Akers, Board Attorney

HISTORY

**PUBLIC NOTICE**

**AGENDA**

**LOCKHART ECONOMIC DEVELOPMENT CORPORATION**

**THURSDAY, AUGUST 15, 2019  
6:00 P.M.**

**CITY HALL  
308 WEST SAN ANTONIO STREET – GLOSSERMAN ROOM**

**1. CALL TO ORDER**

**2. PUBLIC COMMENTS**

**3. DISCUSSION AND/OR ACTION**

- 3.1 Discussion and/or action regarding minutes from the July 8, 2019 meeting.
- 3.2 Discussion and/or action regarding sales tax and financial statement.
- 3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President, to pursue a loan in the amount of \$500,000.
- 3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promogo in which the company agrees to occupy newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC providing up to a \$500,000 forgivable loan.
- 3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

**4. EXECUTIVE SESSION**

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Project Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

**5. DISCUSSION ONLY**

5.1 Activity Updates

**6. ADJOURN**

*If, during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Lockhart Economic Development Corporation will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D to consider one or more matters pursuant to the following:*

*Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with this chapter.*

*Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.073. To deliberate a negotiated contract for a prospective gift or donation to the state or the governmental body if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.*

*Section 551.076. To deliberate the deployment, or specific occasions for implementation, of security personnel or devices.*

*Section 551.086. To deliberate vote or take final action on any competitive matters relating to public power utilities.*

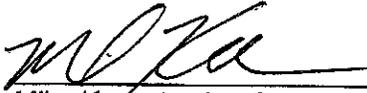
HISTORY

*Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.*

*Section 551.088. To deliberate a test item or information related to a test item if the governmental body believes that the test item may be included in a test the governmental body administers to individuals who seek to obtain or renew a license or certificate that is necessary to engage in an activity.*

*After discussion of any matters in executive session, any final action or vote taken will be in public by the Lockhart Economic Development Corporation.*

I certify that the above notice of meeting was posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 12<sup>th</sup> day of August 2019 at 2:15 PM.



Mike Kamerlander, Secretary, LEDC



3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President to pursue a loan in the amount of \$500,000.

Jeff Lumberg, CEO of Promogo introduced Joe Sanchez and Taryn Harris. He stated that they have put together a great team with a variety of skills that have made their company a success.

Jeff gave an overview of the product that they have developed to streamline the process of booking vendors that provide samples of products at grocery stores. This system would collect data related to the number of patrons that sampled the products. Jeff stated his company are data experts that collect the data and package it for customers' marketing needs.

This platform will assist with making the whole process easier and ensuring it runs smoothly from booking the talent, making sure they are paid on time and packaging the data collected.

Motion to approve Resolution 2019-03 and the five-year option

Motion: Dyral Thomas

Second: Alfredo Munoz

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promongo in which the company agrees to occupy a newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC provided up to \$500,000 forgivable loan.

Mike stated that in order for Promogo to receive the first \$300,000 they must sign a lease here in Lockhart. He stated should they not enter into a lease with the permanent location with a capital expenditure of at least \$2 million within the first two years, they would owe that \$300,000 plus any interest and fees back to LEDC. The last \$200,000 the requirement is that they are in the permanent building with a capital expenditure of at least \$2 million. They are also required to create 30 jobs. For every job they miss they are required to pay LEDC \$5,000.

Motion to approve Resolution 2019-04 as presented

Motion: Alfredo Munoz

Second: Dyral Thomas

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed.

- 3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

This is a reimbursement resolution. Should City Council approve this project, LEDC will have the ability to give Promogo the \$300,000 as it takes 60 days to get approved for the loan. This resolution allows LEDC to be reimbursed for that prepaid expense.

Motion to approve Resolution 2019-05 as presented

Motion: Alfredo Munoz

Second: Sally Daniel

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

**4. EXECUTIVE SESSION**

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Projects Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

Into Executive Session at 6:15 p.m.

Out of Executive Session at 6:49 p.m.

Motion to authorize Steve Lewis, City Manger to make an offer as discussed in executive session.

Motion: Dyral Thomas

Seconded: Alfredo Munoz

Vote: 5 of 6 with Frank Estrada opposed

**5. DISCUSSION ONLY**

5.1 Activity Updates

Frank Estrada stated he would be attending a continued education with TML. He asked that the board pay for half of the cost.

Alan stated that this will be placed on the agenda for next month.

6. ADJOURN

Motion to adjourn

Motion: Dyral Thomas

Second: Morris Alexander

Vote: 6 of 6

**REGULAR MEETING  
LOCKHART CITY COUNCIL**

**AUGUST 6, 2019**

**6:30 P.M.**

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

**Council present:**

Mayor Lew White  
Councilmember Juan Mendoza  
Councilmember Jeffry Michelson

Councilmember John Castillo  
Councilmember Kara McGregor  
Councilmember Brad Westmoreland

**Council absent:**

Mayor Pro-Tem Angie Gonzales-Sanchez

**Staff present:**

Steven Lewis, City Manager  
Monte Akers, City Attorney  
Pam Larison, Finance Director  
Dan Gibson, City Planner  
Randy Jenkins, Fire Chief

Connie Constancio, City Secretary  
Sean Kelley, Public Works Director  
Julie Bowermon, Civil Service/HR Director  
Mike Kamerlander, Economic Development Director  
Ernest Pedraza, Police Chief

**Citizens/Visitors Addressing the Council:** Jeff Dahm of TRC Solutions; John Guttman of JES Development Company; Jay Remley of Manumit Investment Group; and, Gina French of P1 Promotions.

**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:

**PRESENTATION ONLY**

**A. PRESENTATION BY TRC SOLUTIONS REGARDING FUTURE IMPROVEMENTS TO DOWNTOWN.**

Jeff Dahm of TRC Solutions gave the update and there was discussion regarding future improvements to the downtown area.

**DISCUSSION ONLY**

**I. DISCUSS THE CITY OF LOCKHART'S 2019 CERTIFIED PROPERTY TAX ROLL SUBMITTED BY THE CALDWELL COUNTY APPRAISAL DISTRICT.**

Ms. Larison provided information regarding the 2019 Certified Property Tax Roll. She stated that the Council would consider setting the proposed Fiscal Year 2019-2020 tax rate during the budget workshop sessions next week.

**A. DISCUSS MINUTES OF THE CITY COUNCIL MEETING OF JULY 16, 2019.**

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

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**B. DISCUSS PURCHASE OF NOAA NATIONAL WEATHER SERVICE ALERTS SOFTWARE FROM AMERICAN SIGNAL CORPORATION (ASC) WHICH ALLOWS FOR AUTOMATED ACTIVATION OF OUTDOOR WARNING SIRENS DURING A TORNADO WARNING ISSUED BY THE NATIONAL WEATHER SERVICE (NWS) IN THE AMOUNT OF \$2,850.**

Chief Jenkins stated that the software upgrade will allow for unattended auto-activation of all sirens when one or more of the Outdoor Warning Sirens (OWS) are included in a Tornado Warning polygon issued by the National Weather Service (NWS). This feature reduces the time for activation and provides alerts faster while freeing 9-1-1 dispatchers to perform other critical activities during emergency situations. The OWS may also be activated manually by dispatchers. The existing "Compuert Nexgen" control platform at 9-1-1- dispatch supports the addition of the audio weather alters. Chief Jenkins recommended approval. There was discussion.

**C. DISCUSS SUBMISSION OF A GRANT APPLICATION TO ST. DAVID'S FOUNDATION FOR THE PARKS WITH PURPOSE GRANT.**

Mr. Kelley stated that the grant is by invitation only and the City of Lockhart was again considered for this grant. The City was previously awarded this same grant last year, where the Council selected to have a trail system installed in the City Park. Phase 1 of this project is entering the final design stage and is being evaluated for environmental/historical impacts. Phase 1 will go out for bid soon and will be completed by the end of 2019. The funds awarded last year will only be enough to partially fund the entire trail system. Staff is proposing the continuation of the Town Branch Trail System in the City Park to promote physical activities. This year's grant could fund up to \$200,000 to be used for additional trails in the park. City properties outside of the City Park do not qualify for this grant and will have to be constructed with other funds. If awarded, Phase 2 of this trail system would be completed before the end of 2020. This grant has no matching requirement. Mr. Kelley recommended approval. There was discussion.

**D. DISCUSS RESOLUTION 2019-17 APPROVING AND ADOPTING A POLICY AND PROCEDURES FOR THE DISPOSAL OF SURPLUS CITY PERSONAL PROPERTY.**

Ms. Bowermon stated that cities frequently need to sell or convey equipment which is no longer needed for municipal purposes. It is the intent of this policy to dispose of surplus property in a cost effective and efficient manner that achieves the highest net release proceeds for the City of Lockhart. Currently, the City of Lockhart does not have a formal written policy addressing how to determine disposing of surplus property. The practice has been for a Department Head to notify the City Manager, who then determines if the assets can be disposed. The proposed policy creates a uniform policy authorized by the City Council for employees to utilize. City Attorney Monte Akers has reviewed the proposed policy. The proposed policy does not address the surplus of real property. Ms. Bowermon recommended approval of the policy. There was discussion.

**E. DISCUSS BID FROM KRAFTSMAN COMMERCIAL PLAYGROUNDS AND WATERPARKS OF SPRING, TEXAS IN THE AMOUNT OF \$365,813.18 FOR THE 2019 PARK RENOVATIONS & ADDITIONS, PHASE I, AND APPOINTING THE MAYOR TO SIGN ALL CONTRACTUAL DOCUMENTS.**

Mr. Kelley stated that this project consists of four new playscapes and nine shade structures to be installed in various parks throughout the City. On March 19, 2019, Council authorized the use of \$1,195,750 to implement needed park renovations and additions identified in the 2019/2020 Lockhart Parks and Renovation Project list. These selected projects have a total allocated budget of \$455,000. Kraftsman bid \$365,813.18, which is \$89,186.82 under the amount allocated by City Council. Six bids were received ranging from \$365,813.18 to a high of \$475,962.70. The lowest bid was submitted by Kraftsman Commercial Playgrounds and Waterparks. All playscapes included in this bid are designed to be all age inclusive, ADA compliant, and have integrated shade elements rated at 89% UVR projection or higher. Kraftsman has a commendable reputation of building playscapes and shade structures. Also, Kraftsman completed the playscape located at the Pecos Street Park. Mr. Kelley recommended approval. There was discussion.

**F. DISCUSS CHANGE ORDER #1 TO KRAFTSMAN COMMERCIAL PLAYGROUNDS AND WATERPARKS OF SPRING, TEXAS IN THE AMOUNT OF \$29,186.82 CHANGING THE TOTAL AMOUNT OF THEIR CONTRACT TO \$395,000.00 FOR THE 2019 PARK RENOVATIONS & ADDITIONS, PHASE I, AND APPOINTING THE MAYOR TO SIGN ALL CONTRACTUAL DOCUMENTS.**

Mr. Kelley stated that this change order consists of modifications to the designs of the two themed-playscapes that are to be installed at Lion's Park and the Lockhart Sports Complex. Staff negotiated with Kraftsman for the purchase of enhanced themed-playscapes to be more consistent with what was presented during the Parks Renovation and Addition workshops. City Council authorized the use of \$455,000 for the purchase of playscapes and shade structures in various parks. If this change order is approved, these items will be \$60,000 under the allotted budget. Mr. Kelley recommended approval. There was discussion.

RECESS: Mayor White announced that the Council would recess for a break at 7:22 p.m.

**REGULAR MEETING**

**ITEM 1. CALL TO ORDER.**

Mayor Lew White called the meeting to order on this date at 7:35 p.m. Mayor White announced that Mayor Pro-Tem Sanchez requested an excused absence from tonight's meeting due to a conflict.

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

Mayor White requested a moment of silence in honor of the victims of the recent tragedies in El Paso and Ohio. He 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. HOLD A PUBLIC HEARING ON APPLICATIONS ZC-19-04 AND PDD-19-01 BY JES DEVELOPMENT COMPANY, INC., ON BEHALF OF MANUMIT INVESTMENT GROUP, LLC, FOR A ZONING CHANGE FROM PDD PLANNED DEVELOPMENT DISTRICT TO PDD PLANNED DEVELOPMENT DISTRICT, INCLUDING BY-REFERENCE A REVISED PLANNED DEVELOPMENT DISTRICT DEVELOPMENT PLAN FOR MAPLE PARK, A PROPOSED MIXED-USE DEVELOPMENT ON 56.239 ACRES IN THE FRANCES BERRY SURVEY, ABSTRACT NO. 2, LOCATED ALONG THE WEST SIDE OF THE 700-1000 BLOCKS OF CITY LINE ROAD. [TABLED 7-2-2019]**

Mayor White opened the public hearing at 7:39 p.m.

Mr. Gibson stated that the PDD zoning classification is intended to accommodate developments with characteristics that may deviate from the normal zoning and subdivision standards. In return for such flexibility, the PDD requires an early commitment on the part of the developer in terms of the site layout, land uses, and amenities. Unlike conventional zoning classifications that cannot have conditions attached, the PDD classification is subject to the conditions represented by the development plan, which is adopted by-reference and cannot be changed except through the rezoning process. The subject property was rezoned from AO to PDD in 2012 concurrently with adoption of the associated PDD Development Plan for a mixed-use project. In 2017 and 2018 the Council approved zoning changes from PDD to PDD to revise the associated PDD development plans. The owner now wishes to increase the proposed number of multifamily dwelling units intended for senior housing from 48 to 56, and increase the total number of multifamily units from 72 to 86, which again alters the PDD development plan and requires rezoning from the current PDD to the revised PDD. All other uses remain the same except for simplification of the land use category labels. In addition, some section boundaries have been realigned. On July 24<sup>th</sup>, the Planning and Zoning Commission recommended approval of the zoning change and accompanying PDD development plan, as well as approved the corresponding preliminary plat. Notes required as a condition of the Commission's recommendation have been added to the PDD development plan. There have been no citizen objections. Mr. Gibson stated that the Planning and Zoning Commission and staff recommend approval.

Mayor White requested the applicant to address the Council.

John Guttman of JES Development stated that the reason that they returned with a revised PDD is because of an increase in the number of units. He requested approval. There was discussion.

Mayor White requested citizens in favor of the zoning change to address the Council.

Jay Remley with Manumit Investment Group thanked staff and the city for support of the PDD.

Mayor White requested additional citizens in favor of or against the zoning change to address the Council. There were none. He closed the public hearing at 7:50 p.m.

**ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2019-15 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS 56.239 ACRES IN THE FRANCIS BERRY SURVEY, ABSTRACT NO. 2, LOCATED ALONG THE WEST SIDE OF THE 700-1000 BLOCKS OF CITY LINE ROAD, FROM PDD PLANNED DEVELOPMENT DISTRICT TO PDD PLANNED DEVELOPMENT DISTRICT, INCLUDING BY-REFERENCE A REVISED PDD DEVELOPMENT PLAN FOR MAPLE PARK PLANNED DEVELOPMENT DISTRICT.**

Councilmember Michelson made a motion to approve Ordinance 2019-15, as presented. Councilmember McGregor seconded. The motion passed by a vote of 6-0.

**ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING REQUEST FROM ORGANIZER P1 PROMOTIONS TO CONSIDER CHANGING EVENT DATE FOR THE 2020 KART RACES IN LOCKHART AND CONSIDER CITY CONTRIBUTIONS TO HOST EVENT.**

Ms. Bowermon stated that during the July 16, 2019 meeting, the Council approved July 18-19, 2020 as the race event date. Since that time, P1 Promotions has contacted the City requesting that the event date be changed to May 16-17, 2020. Although P1 Promotions had originally preferred the July date, another kart race at the Indiana Speedway unexpectedly moved to July 18-19, 2020. P1 Promotions and the race share the same participants and customer base. P1 Promotions now prefers May 16-17, 2020. Staff contacted both Chambers and Caldwell County about the new kart race date request in May 2020. As of this date, no objections have been expressed by any entity.

In collaboration with P1 Promotions, staff drafted a term sheet addressing both the City's and P1's proposed responsibilities for the race event. Based upon this distribution of responsibilities, staff's initial cost estimate for the City to host the race is approximately \$17,000 for in-kind contributions and \$24,050 for monetary expenses in securing vendor services to support the race. P1 has requested that the general liability requirement be reduced from \$6 million to \$5 million due to the drastic increase in cost. There was discussion.

Gina French of P1 Promotions explained the conflict with the Indiana Speedway kart race, and she thanked the Council for considering to reschedule the race in Lockhart from July to May 2020. She provided information about the upcoming race that would include ages 11 and older and how the kart races would benefit the community. There was discussion regarding the liability coverage to hold the event.

Councilmember McGregor made a motion to change the date of the kart race to May 16-17, 2020 and to direct staff to return with a negotiated contract for Council's consideration. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

**ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2019-16 AMENDING ARTICLE I OF CHAPTER 56, TITLED "TRAFFIC AND VEHICLES", TO ADD A DEFINITION OF "MOTORIZED SCOOTER", IN SEC. 56-1; AMENDING ARTICLE VII OF CHAPTER 56 TO AMEND SECTIONS 56-383 AND 56-384 TO ADD MOTORIZED SCOOTERS TO THE REGULATIONS CONTAINED IN THOSE SECTIONS, AMENDING ARTICLE III OF CHAPTER 62 TO ADD A DEFINITION OF "MOTORIZED SCOOTER" IN SEC. 62-100, AND AMENDING ARTICLE III OF CHAPTER 62, CURRENTLY TITLED "PEDICABS", TO ADD MOTORIZED SCOOTERS TO THE TITLE OF ARTICLE III AND TO REQUIRE A PERMIT FOR OPERATION OF A MOTORIZED SCOOTER BUSINESS IN THE CITY.**

Chief Pedraza provided information regarding the proposed policy regarding motorized scooters in the city limits. The scooters would be prohibited in the downtown district and on sidewalks.

Mr. Akers clarified that the motorized scooter policy would be similar to the regulations of pedicabs.

Councilmember Castillo made a motion to approve Ordinance 2019-16, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

**ITEM 5. CONSENT AGENDA.**

Councilmember Michelson made a motion to approve consent agenda items 5A, 5B, 5C, 5D, 5E and 5F. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

The following are the consent agenda items that were approved:

- 5A: Approve minutes of the City Council meeting of July 16, 2019.
- 5B: Approve purchase of NOAA National Weather Service Alerts software from American Signal Corporation (ASC) which allows for automated activation of Outdoor Warning Sirens during a Tornado Warning issued by the National Weather Service (NWS) in the amount of \$2,850.
- 5C: Approve submission of a grant application to St. David's Foundation for the Parks with Purpose Grant.
- 5D: Approve Resolution 2019-17 approving and adopting a policy and procedures for the disposal of surplus City personal property.
- 5E: Award bid to Kraftsman Commercial Playgrounds and Waterparks of Spring, Texas in the amount of \$365,813.18 for the 2019 Park Renovations & Additions, Phase I, and appointing the Mayor to sign all contractual documents.
- 5F: Approve Change Order #1 to Kraftsman Commercial Playgrounds and Waterparks of Spring, Texas in the amount of \$29,186.82 changing the total amount of their contract to \$395,000.00 for the 2019 Park Renovations & Additions, Phase I, and appointing the Mayor to sign all contractual documents.

**ITEM 6-C. DISCUSSION AND/OR ACTION TO ACKNOWLEDGE AND ACCEPT RECEIPT THE CITY OF LOCKHART'S 2019 CERTIFIED PROPERTY TAX ROLL SUBMITTED BY THE CALDWELL COUNTY APPRAISAL DISTRICT.**

Councilmember McGregor made a motion to approve the 2019 Certified Property tax roll, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

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

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

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

- Library Updates:
  - Master Gardner's Meeting August 13, 2019 at 6:00 p.m. in the Clark Building.
  - Evening with the Authors to be held October 5, 2019 in the Garden of Margaret Riddle.
  - Census Bureau to hold Census employee training on October 9 & 16 in the Clark Building for upcoming Census data collection tasks.
- Public Works Updates:
  - Update: 2019 Street Improvement Plan- Lion Country Drive, Center Street, Trinity Street, park roads and the pool parking lot all have completed asphalt resurfacing.
  - Streets Department is currently striping school zones and crosswalks around all of the school campuses prior to school starting on August 14<sup>th</sup>.
  - Water Projects Update: Staff had two preconstruction meetings on Friday, August 2<sup>nd</sup> in regards to the pump station to be installed at the Maple Elevated Water Tower and for the 18" water main that will be placed towards the new elevated tower on FM 2001. Staff will have a preconstruction meeting with the elevated tower contractor on August 14<sup>th</sup>.
  - City pool will close on August 11<sup>th</sup>. The splash pad will remain open until cooler temperatures arrive.
  - Summer Water Production / Distribution update.
- November 5, 2019 City General Election for Councilmembers District 1, District 2 and Two At-Large positions – last day to file for place on ballot is August 19, 2019 by 5:00 p.m.
- Texas Sales Tax Holiday – August 9-11.
- Last Movie in the Park – August 10 – "Small Foot".
- Reminder: Fiscal Year 2019-2020 Budget Work sessions will be held on August 12 and 13 at 6:30 p.m.

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

Councilmember Mendoza expressed condolences to those that have recently lost a loved one. He stated that Council has been invited to an upcoming ribbon cutting for the new curbside shopping area at HEB. A date and time will be announced soon.

Councilmember McGregor asked everyone to take care in the heat and to stay hydrated.

Councilmember Castillo wished teachers and students a good new school year and asked everyone to stay safe. He encouraged citizens to read information about the upcoming LISD school bond that will be on the November election ballot. He asked citizens to continue to ration water and he expressed sympathy to those that were involved in the recent shooting tragedy in El Paso and Ohio.

Councilmember Michelson wished the teachers and students good luck during the new school year. He asked everyone to be safe and to be cautious for the next few days while City staff to re-paints curbs, etc. on the streets. He stated that he received several calls about the brown water and announced that staff is working on clearing up the water.

Mayor White wished all a successful new school year. He reminded Council and staff that budget workshops will be held on August 12 and 13 in the Council Chambers at 6:30 p.m.

**ITEM 9. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.087 TO DELIBERATE OR FOR DISCUSSION REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY, OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR TO DELIBERATE THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT. - Discussion regarding Economic Development negotiations with Project Promo.**

Mayor White announced that the Council would enter Executive Session at 8:32 p.m.

**ITEM 10. OPEN SESSION - Discussion and/or action regarding Economic Development negotiations with Project Promo.**

Mayor White announced that the Council would enter Open Session at 9:08 p.m.

Councilmember Michelson made a motion to allow the City Manager to negotiate a 380 agreement with Project Promo. Councilmember McGregor seconded. The motion passed by a vote of 6-0.

**ITEM 11. ADJOURNMENT.**

Councilmember Mendoza made a motion to adjourn the meeting. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0. The meeting was adjourned at 9:10 p.m.

PASSED and APPROVED this the 20<sup>th</sup> day of August 2019.

**CITY OF LOCKHART**

ATTEST:

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

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

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# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:**

Discussion and/or action to consider Ordinance 2019-17, an Ordinance of the City of Lockhart, Texas, amending the City's Code of Ordinances, Chapter 8, Amusements and Entertainment, by adding Article IV, Game Room Establishments; adding Article XV, Game Room Establishments, to Appendix C, Fee Schedule.

**ORIGINATING DEPARTMENT AND CONTACT:** Steve Lewis, City Manager

**ACTION REQUESTED:**

**X ORDINANCE**       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

District Attorney, Fred Weber, requests that all entities within Caldwell County consider adopting an Ordinance regulating game rooms. The proposed Ordinance provides for rules and regulations for both Game Room Establishments (GRE) and Game Room Establishment Operators (GREO). The City of Luling passed a Game Room Ordinance last week. Further, City staff understands that the two (2) game rooms in Lockhart have ceased operations.

The following is a brief summary of rules for a GRE and GREO:

GRE must abide by the following: 1) GRE to apply for an annual permit through the Lockhart Police Department (LPD) (\$200) and a GREO to apply for a license (\$100), 2) GRE's may not be located within 300 feet from the nearest GRE, 3) background check to be conducted of the GRE and GREO; and, 4) both GRE and GREO may be subject to a personal interview with the LPD.

The proposed Ordinance also provides for suspension and revocation of a GRE permit and/or GREO license by the LPD whereby any of the provisions of city ordinances or State law(s) are violated. A GRE permit or GREO license may be permanently revoked by the City Council after conducting a hearing. An appeal process is also provided within ten days after filing proper notice with the City Secretary.

**PROJECT SCHEDULE (if applicable):** N/A

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

**Funds Required:** N/A  
**Account Number:** N/A  
**Funds Available:** N/A  
**Account Name:** N/A

**FISCAL NOTE (if applicable):**

**Previous Council Action:** None.

**COMMITTEE/BOARD/COMMISSION ACTION:** None.

**STAFF RECOMMENDATION/REQUESTED MOTION:**

Staff recommends approval of Ordinance 2019-17, as presented.

**LIST OF SUPPORTING DOCUMENTS:** Ordinance 2019-17

Department Head initials:  
\_\_\_\_\_

City Manager's Review:  
  
\_\_\_\_\_

**ORDINANCE 2019-17**

**AN ORDINANCE OF THE CITY OF LOCKHART, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 8, AMUSEMENTS AND ENTERTAINMENT, BY ADDING ARTICLE IV, GAME ROOM ESTABLISHMENTS; ADDING ARTICLE XV, GAME ROOM ESTABLISHMENTS, TO APPENDIX C, FEE SCHEDULE; PROVIDING FOR A PENALTY; PROVIDING FOR REPEALING, SEVERABILITY AND SAVINGS CLAUSES; AND PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, the Lockhart City Council finds it necessary to amend the City of Lockhart Code of Ordinances to provide for a permitting and licensing processes for Game Room Establishments and individual game room operators seeking to operate in Lockhart, because of concerns regarding deleterious effects on the community, including but not limited to increased crime and negative impacts on the quality of life of surrounding residential, school, hospital, religious, and business locations; and

**WHEREAS**, it is necessary to regulate the locations of game room establishments to ensure they are not located within certain distances of each other, residentially zoned parcels, hospitals, religious institutions, apartment complexes, school or day care facilities, school bus stops, child entertainment establishments, bars or liquor stores, and pawnshops; and

**WHEREAS**, it is necessary to require Game Room Establishment owners and individual game room operators and staff to undergo background checks before being allowed to operate in the City of Lockhart, and

**WHEREAS**, it is necessary to establish operational regulations for Game Room Establishments and individual game room operators operating in the City of Lockhart; and

**WHEREAS**, it is also necessary to establish fees and penalties for Game Room Establishments and operators; and

**WHEREAS**, the Lockhart City Council finds that this Ordinance is necessary to preserve the health, safety and welfare of the citizens of Lockhart.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, that:**

- I. The foregoing recitals are found to be true and are adopted and incorporated herein for all purposes.
- II. The Code of Ordinances of the City of Lockhart, Texas is hereby amended by adding a new article, to be numbered Article IV, Game Room Establishments, to Chapter 8, Amusements and Entertainment, which article shall read as follows:

## Article IV. Game Room Establishments

### DIVISION 1. DEFINITIONS, EXCEPTIONS, PENALTY

#### Sec. 8-181. - Definitions

Unless the particular provision or the context otherwise requires, the definitions and provisions contained in this section shall govern the construction, meaning and application of words and phrases used in this Article.

Amusement Redemption Machine means any electronic, electromechanical, or mechanical contrivance designed, made, and adopted for bona fide amusement purposes that rewards the player exclusively with non-cash merchandise, prizes, toys, or novelties, or a representation of value redeemable for those items, that have a wholesale value available from a single play of the game or device of not more than ten times the amount charged to play the game or device once, or \$5.00, whichever amount is less.

Applicant means a person who submits an application to the City of Lockhart. The term includes: owner, owner's agent, operator, principal, officer, or general manager of the applicant.

Compensation means any and all forms of payment as remuneration for the provision of playing a game of chance to include, but not limited to, table games such as cards, poker, blackjack, dice, craps, or roulette, an amusement redemption machine or random generator machine. Compensation includes, but is not limited to, fees, tips, membership fees, seat rentals, seat time-charges, buy-ins, goods, services, barter, or any other exchange or any value made to or on behalf of a game room, the game room owner, game room operator, game room employee, or any other person working for or affiliated with the establishment. Compensation includes discounted, reduced, or waived student fees for tuition, books, supplies, or other educational expenses. Compensation is also understood through the purchase of chips that are intended to be used in table game activity.

Employee: means any person eighteen (18) years of age or older, who renders any service in connection with the operation of a game room establishment and who receives compensation from the operator of the business or from patrons. No one under the age of 18 may be allowed to work at a game room in the City of Lockhart.

Free-Standing Building means a building that is designed or updated to hold only one business, and is a structure that is not attached to another structure. A free-standing building does not rely on another existing structure for support. This type of building would have no other occupants other than the game room establishment once approved, and may not be sub-leased for any other purposes.

Game Room Establishment means a building, facility, or other place that contains two or more amusement redemption machines, regardless of whether compensation is given in any form.

Game Room Owner means an individual who:

- (a) Has an ownership interest in or receives income from a game room, random generator machine or an amusement redemption machine located in a game room;
- (b) Is a partner, director, or officer of a business, company, or corporation that has an ownership interest in a game room, random generator machine or in an amusement redemption machine located in a game room;
- (c) Is a shareholder that holds more than ten percent of the outstanding shares of a business, company, or corporation that has an ownership interest in a game room, random generator machine or in an amusement redemption machine located in a game room;
- (d) Has been issued by the county clerk an assumed name certificate for a business that owns a game room, random generator machine or an amusement redemption machine located in a game room;
- (e) Signs a lease for a Game Room Establishment;
- (f) Opens an account for utilities for a Game Room Establishment;
- (g) Applies for and/or receives a certificate of occupancy for a Game Room Establishment;
- (h) Pays for advertising for a Game Room Establishment; or
- (i) Signs an alarm permit for a Game Room Establishment.

Operator means an individual who supervises, manages, or participates in the performance of activities that contribute to the functioning of a Game Room Establishment, including but not limited to the following activities:

- (a) Operates a cash register, cash drawer, or other depository on the premises of a game room or of a business where the money earned or the records of credit card transactions or other credit transactions generated in any manner by the operation of a Game Room Establishment or activities conducted in a game room are kept;
- (b) Displays, delivers, or provides to a customer of a game room; merchandise, goods, entertainment, or other services offered on the premises of a Game Room Establishment;
- (c) Take orders from a customer of a game room for merchandise, goods, entertainment, or other services offered on the premises of a Game Room Establishment; or
- (d) Acts as a door attendant to regulate entry of customers or other persons into a Game Room Establishment.

Patron means any person who goes to a Game Room Establishment with the intent of watching or participating in the game room activities provided.

Premises means a building or a portion of a building. The term includes any public or private driveway, parking lot, parking garage, or other parking area owned or rented by the Game Room Establishment.

Random Generator Machine means a type of amusement redemption machine that is recreational and provides the user with an opportunity to receive something of value other than a right to replay and in which credits, or the equivalent thereof, are accumulated when: a particular configuration of like symbols is displayed in a random fashion by the machine; symbols or numbers are matched to a randomly selected symbol or number determined by the machine; a combination of cards is arrived at and valued in a traditional hierarchy for purposes of poker; or a combination of cards is arrived at and points assigned for purposes of blackjack.

#### **Sec. 8-182. - Exceptions**

The provisions of this article shall not be construed to limit game rooms for children where tickets are provided for redemption of children's toys, nor does it embrace bona fide fraternal organizations and lodges, casino events for nonprofit organizations, or social gatherings in private residences for the sole purpose of sociability and amusement in which the house or owner(s) does not receive any compensation for hosting the game room activities.

#### **Sec. 8-183. - Penalty**

(a) Any person operating, using or maintaining any room or place for which a permit or license is required by this article without first paying the fee and securing a permit or license therefore, or who operates, uses or maintains such place after the license therefore has been revoked, shall, upon conviction, be punished by a fine not exceeding five hundred dollars (\$500.00) for each day that such room or place is so operated.

(b) Each licensee under this article must meet and comply with all requirements of law applicable to the premises or any activity conducted thereon and the issuance of a license under this article shall not excuse the licensee, agents or employees or any patrons of such premises therefrom. Immediate revocation of a Game Room Establishment license or individual operator permittee will occur upon the discovery of criminal activity at a Game Room Establishment, or when criminal charges are filed against the Game Room Establishment owners, operators or staff.

### **DIVISION II. REGULATIONS**

#### **Sec. 8-191. - Game Room Establishment Regulations**

Game Room Establishments shall be subject to the following regulations:

(a) May not be located within a radius of 300 feet from the nearest existing Game Room Establishment.

(b) May not be located within 300 feet from the following land uses: residentially zoned parcels, religious institutions, hospitals, apartment complexes, schools or day care facilities, school bus stops, child entertainment establishments, bars or liquor stores, massage establishments, and pawnshops.

(c) Store fronts shall have glass or transparent glazing in the windows and doors and shall have no more than ten percent (10%) of any window or door area covered by signs, banners or opaque coverings of any kind, and shall allow a clear and unobstructed view of the full screen of all random generator machines and amusement redemption machines, and provide a clear view of all table games.

(d) It shall be unlawful for any person to exhibit or display, or to permit to be exhibited or displayed, for commercial use any random generator machine or amusement redemption machine in a game room unless the required transparent walls or windows of the game room:

(1) Are located on at least two sides of the game room, and each random generator machine and amusement redemption machine located therein is visible through such walls or windows; and

(2) At the lowest point are not more than four feet above the adjacent sidewalk or ground level; and

(3) At the highest point are at least eight feet higher than the adjacent sidewalk or ground level; and

(4) Are at least four feet wide.

(e) Display of any sign that is animated, moving, flashing, blinking, reflecting, revolving or similar type on-premises signs is prohibited at, on, or advertising a game room establishment.

(f) May only operate within a free-standing building and may not operate in the same structure as any other Game Room Establishment or any other type of business.

(g) This article shall not be construed to authorize or permit the keeping, exhibition, operation, display, or maintenance of any machine or gaming that is prohibited by federal law, the constitution of this state, or Chapter 47 of the Texas Penal Code.

### **DIVISION III. PERMITS AND LICENSES**

#### **Sec. 8-201. - Permit Required**

(a) No person shall engage in or carry out the business of a Game Room Establishment for any form of compensation unless they have a valid game room permit issued by the City of Lockhart pursuant to the provisions of this article for each and every separate office or place of business conducted under this article. A game room owner and game room operator shall obtain a license from the city for each game room associated with them located in the city.

(b) It shall be unlawful to operate, use or maintain any room or place in the City of Lockhart where persons are permitted to play at any game of dominoes, cards or other games, and for the use of which, or privilege of playing therein or thereat, any compensation shall be paid or received, or where memberships are sold or rented for anything of value for the privilege of playing therein or thereat, without first securing a license or permit as required under this section.

(c) An application for an existing game room location that is submitted by an individual who is different from the individual named as the owner or operator on the current application or a re-application for an existing game room location after denial or revocation shall be considered a new application and not a renewal.

(d) The application for a city license required by this section shall be in the form prescribed by the Chief of Police or his/her designee and shall contain such information as the Chief shall require. The application will include a consent from each individual applying, including all stockholders holding more than 10% of the stock of the corporation; all of the officers and directors, if the applicant is a corporation; or all of the partners, including limited partners, if the applicant is a partnership, to allow the Chief of Police or designee to conduct a background investigation of all Game Room Establishment owners, operators, and staff. Any failure to provide the information required by this article or a determination by the Chief of Police or designee that inaccurate, erroneous or incomplete information has been submitted shall be grounds for denial or revocation of the application or permit once approved.

(e) In the case of a game room to be operated under an assumed name, a true and correct copy of the registration of the assumed name filed in the office of the Caldwell County Clerk, bearing the file mark or stamp that evidences its filing in that office, and a non-refundable fee(s) for the license as stated in the city fee schedule shall be included with the application. Any failure to provide the documents or payments required by this article shall be grounds for denial by the Chief of Police or designee.

(f) The Chief of Police or designee shall investigate each application received under this article to determine whether the applicant has been convicted of an applicable criminal offense as specified in this article. If it appears that the applicant has been convicted of such an offense, the Chief of Police shall deny the application of the licensee or permittee as set forth in this article.

(g) A license issued under this section shall be subject to temporary revocation by the Chief of Police and permanent revocation by the City Council.

(h) Any failure of a proposed game room to meet all requirements of this article shall be grounds for denial, revocation, or suspension of a game room license.

(i) Each Game Room Establishment permit or individual operator license is valid for one year and shall expire on the anniversary date of the issuance of the permit or license. A permit or license may be renewed for the following calendar year beginning 60-days before the expiration of the current permit or license by filing a completed application for each permit or license and paying the applicable fee set forth in the city fee schedule. A renewal application, or an application by a new game room owner, shall be subject to the same requirements in this article, as for an initial Game Room Establishment license application.

**Sec. 8-202. - Application for Permit**

(a) **Game Room Establishment Permit:** An applicant desiring a game room establishment permit shall file a written application with the Chief of Police or designee, on a form to be furnished by the City of Lockhart. The applicant shall accompany the application with a tender of the permit fee required by this article, and shall, in addition, furnish the following:

(1) The type of ownership of the business, i.e. whether individual, partnership, corporation or otherwise;

(2) The name, style and designation under which the business or practice is to be conducted;

(3) The business address and all telephone numbers where the business is to be conducted;

(4) A complete list of the names and the residence addresses of all Game Room Establishment owners and each individual operator in the game room establishment and the name and residence address of the manager, supervisor or other person principally in charge of the operation of the business. Failure to notify the Chief of Police or designee of any changes in owners or operators shall be cause to revoke a permit to operate in the City of Lockhart.

(5) The following personal information concerning the applicant, if an individual; and concerning each stockholder holding more than ten (10) percent of the stock of the corporation, each officer and director, if the applicant is a corporation; and concerning the partners, including limited partners, if the applicant is a partnership; and the holder of any lien, of any nature, upon the business and/or the equipment used therein; and concerning the manager or other person principally in charge of the operation of the business:

(i) The names, complete residence addresses, and residence and mobile telephone numbers;

(ii) The two (2) previous addresses immediately prior to the present address of the applicant;

(iii) Proof of age from a State or Federally issued identification card;

(iv) Height, weight, color of hair and eyes, and sex;

(v) Two (2) front face portrait photographs of the applicant(s) and any partners taken within thirty (30) days of the date of application and at least two (2) by two (2) inches in size;

(vi) Similar business history and experience ten (10) years prior to the date of application, including but not limited to, whether such person previously operating in this or another city or state under license or permit, has had such license or permit denied, revoked or suspended, and the reason therefore. Applicant shall also provide written evidence of any business activities or occupations subsequent to such action of denial, suspension or revocation;

(vii) A listing of all criminal arrests other than misdemeanor traffic violations, fully disclosing the jurisdiction in which arrested and the disposition thereof; and

(viii) All owners, partners, managers, employees and staff shall submit to electronic fingerprinting by IDENTOGO at the applicant's expense with results forwarded to and maintained by the Chief of Police or his/her designee or authorized representative;

(ix) Such other information, identification and physical examination of the person as shall be deemed necessary by the Chief of Police;

(x) Signed authorization for the City, its agents and employees to verify the information in the application and the qualifications of the applicant for the permit;

(xi) The names and addresses of three (3) adult residents of Caldwell County who will serve as references. The references must be persons other than relatives and business associates; and

(xii) Written declaration by the applicant and all partners, under penalty of perjury, that the foregoing information contained in the application is true and correct, said declaration being duly dated and signed in the City of Lockhart.

**(b) Game Room Operator License:** An applicant desiring an individual operator license shall file a written application with the Chief of Police on a form to be furnished by the City of Lockhart. The applicant shall accompany the application with a tender of the license fee required by this article, and shall, in addition, furnish the following:

(1) Proof of age from a State or Federally issued identification card;

(2) Two (2) front face portrait photographs of the applicant taken within thirty (30) days of the date of application and at least two (2) by two (2) inches in size;

(3) Similar business history and experience ten (10) years prior to the date of application, including but not limited to, whether such person previously operating in this or another city or state under license or permit, has had such license or permit denied, revoked or suspended, and the reason therefore. Applicant shall also provide written evidence of any business activities or occupations subsequent to such action of denial, suspension or revocation;

(4) A listing of all criminal arrests other than misdemeanor traffic violations, fully disclosing the jurisdiction in which arrested and the disposition thereof;

- (5) A complete set of fingerprints taken and to be retained on file by the Chief of Police or his/her designee or authorized representative;
- (6) Such other information, identification and physical examination of the person as shall be deemed necessary by the Chief of Police;
- (7) Signed authorization for the City, its agents and employees to verify the information in the application and the qualifications of the applicant for the permit;
- (8) The names and addresses of three (3) adult residents of Caldwell County who will serve as references. The references must be persons other than relatives and business associates;
- (9) Written declaration by the applicant, under penalty of perjury, that the foregoing information contained in the application is true and correct, said declaration being duly dated and signed in the City of Lockhart.

**Sec. 8-203. - Approval and Investigation by the Chief of Police**

- (a) Upon receiving the application for a game room establishment or individual operator permit, the Chief of Police shall order an investigation into the applicant(s) moral character and personal and criminal history. The Chief of Police may in his discretion require a personal interview of the applicant(s), and such further information, identification and physical examination of the person as shall bear on the investigation.
- (b) In the case of applications for a game room establishment permit, the Chief of Police shall cause to be conducted an investigation of the premises where the game room establishment is to be conducted, for the purposes of assuring that such premises comply with all sanitation requirements as set forth in this Article, by Caldwell County, and by the State of Texas, to include all regulations of public health, safety and welfare.
- (c) Before any permit or certificate of occupancy shall be issued under this article, the Chief of Police shall first sign his approval for the application.

**Sec. 8-204. - Issuance or Denial of Game Room Establishment Permits**

The Chief of Police shall authorize issuance of a Game Room Establishment permit within thirty (30) days of receipt of the application unless he finds that:

- (a) The correct permit fee has not been tendered to the city, and in the case of check or bank draft, has not been honored with payment upon presentation;
- (b) The operation, as proposed by the applicant, if permitted, would not comply with all applicable laws, including but not limited to this article, or the city's building, zoning and health regulations;

(c) The applicant, if an individual, or any of the stockholders holding more than ten (10) percent of the stock of the corporation, or any of the officers and directors, if the applicant is a corporation, or any of the partners, including limited partners, if the applicant is a partnership, or the holder of any lien of any nature on the business and/or equipment used therein; and the manager or other person principally in charge of the operation of the business, have been convicted of a felony or misdemeanor involving moral turpitude unless such conviction occurred at least five (5) years prior to the date of the application;

(d) The applicant has knowingly made any false, misleading or fraudulent statements of fact in the permit application or in any document required by the city in conjunction therewith;

(e) The applicant has had game room establishment or individual operator permit, or other similar permit or license denied, revoked or suspended by the City of Lockhart or any other city, state, federal or local agency within five (5) years prior to the date of application; or

(f) The applicant, if an individual, or any of the officers and directors if the applicant is a corporation, or any of the partners, including limited partners, if the applicant is a partnership, and the manager or other person principally in charge of the operation of the Game Room Establishment, is not over the age of eighteen (18) years.

**Sec. 8-205. - Issuance or Denial of Individual Operator License**

The Chief of Police shall authorize issuance of an individual game room operator license within thirty (30) days of receipt of the application unless he finds that:

(a) The correct license fee has not been tendered to the city, and in the case of check or bank draft, has not been honored with payment upon presentation;

(c) The individual has been convicted of a felony or misdemeanor involving moral turpitude unless such conviction occurred at least five (5) years prior to the date of the application;

(d) The applicant has knowingly made any false, misleading or fraudulent statements of fact in the permit application or in any document required by the city in conjunction therewith;

(e) The applicant has had a Game Room Establishment, game room operator or other similar permit or license denied, revoked or suspended by the City of Lockhart, other city or any other state, federal or local agency within five (5) years prior to the date of application;

(f) The applicant is not over the age of eighteen (18) years; and if

(g) The applicant fails to pay all required permit fees upon application.

**Sec. 8-206. - Display of Permits**

The Game Room Establishment permittee shall display the City of Lockhart Game Room Establishment Permit, State of Texas Tax Identification Certificate, and Certificate of Occupancy in an open and conspicuous place near the entrance of the game room establishment. All applicable permits or licenses shall be current and failure to renew any of the required permit or licensing requirements will be grounds for closure of the game room establishment until such time the license or permit is current.

**Sec. 8-207. - Fees Generally**

There is a Game Room Establishment Permit Fee and an individual Game Room Operator License Fee for each operator employed at the Game Room Establishment. All fees assessed shall be paid when renewed annually. Failure to pay all required fees at the time of application shall cause the application to be rejected. Failure to renew all fees in a timely manner shall cause the Permit and/or Certificate of Occupancy to be revoked.

**Sec. 8-208. - Game Room Establishment Permit Fee.**

The permit fee for a Game Room Establishment shall be \$200.00 annually.

**Sec. 8-209. - Game Room Operator Licensing Fee.**

The license fee for a Game Room Operator shall be \$100.00 annually.

**Sec. 8-210. - Return of Fee**

No portion of any fee collected under this article shall be returned after a permit has been issued.

**Sec. 8-211. - Suspension and Revocation of Permits**

(a) A Game Room Establishment permit may be temporarily revoked or suspended by the Chief of Police in any case where any of the provisions of this article are violated, or where any game room operator is found to have engaged in any conduct which violates any of state laws or city ordinances at the permittee's place of business and the permittee or supervisor has actual or constructive knowledge thereof. Constructive knowledge shall be established by the day to day operation of the business. Permanent revocation proceedings shall be as prescribed by subsection (c) of this section.

(b) An individual game room operator permit may be revoked or suspended by the Chief of Police in any case where any of the provisions of this article are violated, or where the permittee is engaged in any conduct which violates any of the state laws or city ordinances at the game room establishment. Permanent revocation proceedings shall be as prescribed by subsection (c) of this section.

(c) A Game Room Establishment or game room individual operator permit may be permanently revoked or suspended by the City Council after notice and hearing for any cause set forth in this section. The Chief of Police or his designee shall initiate such proceedings by petition to the City Council in writing setting forth specifically the grounds for a permanent revocation or suspension. A copy of such petition shall be mailed to the last known address of the permit holder. Proper Notice of the time and date of the hearing, setting forth the specific grounds upon which the Chief of Police's petition is based, shall be given in writing by the City of Lockhart at least five (5) days prior to the date set for such hearing through (i) first class United States mail, postage prepaid, registered or certified with return receipt requested, (ii) delivering same in person to the intended addressee, (iii) delivery to an independent third party commercial delivery service for same day or next day delivery and providing for evidence of receipt at the office of the intended addressee, or (iv) prepaid telegram, telex, or facsimile to the addressee. Notice so mailed shall be effective upon its deposit with the United States Postal Service or any successor thereto; notice sent by such a commercial delivery service shall be effective upon delivery to such commercial delivery service; notice given by personal delivery service shall be effective only if and when received by the addressee; and notice given by other means shall be effective only if and when received at the office or designated place or machine of the intended addressee. The City Council shall, by a majority vote, determine whether or not such permit shall be suspended or permanently revoked.

(d) Any applicant denied a Game Room Establishment permit or individual game room operator license by the Chief of Police shall have the right of appeal to City Council. Such appeal shall be taken by filing with the Lockhart City Secretary within ten (10) days after Proper Notice (as described in sub-section (c) above) of the denial has been mailed to such person's address as set forth in the application, a written statement setting forth fully the grounds for the appeal. The City of Lockhart shall provide for a council hearing on such appeal at the earliest convenient regular city council meeting and shall provide Proper Notice to the appellant and Chief of Police of the date and time of such hearing in the same manner as provided in sub-section (c). The council shall by a majority vote either sustain the action of the Chief of Police or issue the permit.

(e) Nothing in this section prevents the City of Lockhart from revoking any existing certificate of occupancy, permit or license if found to be issued in error, in violation of a law, when issued under a false application, or when issued to an establishment that does not meet the State of Texas licensing requirements. An existing business whose certificate of occupancy is revoked under this section must meet all current licensing and permitting requirements in the City of Lockhart before it is allowed to reopen for business.

(f) Nothing in this section precludes the City of Lockhart from revoking any existing certificate of occupancy, permit or license if the Game Room Establishment is found to be in violation of a Health and Safety Code or Fire Code adopted by the City of Lockhart which warrants closing said business until all violations are rectified to the City of Lockhart's sole satisfaction that no violations exist.

**Sec. 8-212. - Transfer of Permit Prohibited**

No Game Room Establishment permit or individual game room operator license is transferable, severable or divisible, and such authority as a permit or license confers shall be conferred only upon the permittee or licensee named therein.

**Sec. 8-213. - Hours**

No Game Room Establishment shall be kept open for any purpose between the hours of 9:00 p.m. and 8:00 a.m.

**Sec. 8-214. - Alcoholic Beverages**

No person shall sell, give, dispense, provide, keep, or cause to be sold, given, dispensed, provided or kept, any alcoholic beverage on the premises of any game room establishment business, unless licensed or permitted to do so under the Texas Alcoholic Beverage Code. Game Room Establishments also must comply with city ordinances regarding alcoholic beverage sales and consumption.

**Sec. 8-216. - Entrances and Exits**

No Game Room Establishment shall have any entrance or any exit way providing a direct passageway to any other type of business, residence or living quarters. No game room operator may be allowed to sleep or reside inside the game room establishment.

**Sec. 8-217. - Access**

(a) All Game Room Establishments operating under the authority of this article are declared to be public places, and shall not, during business hours, have the doors to the entrances or exits of such establishments, or to any room locked or obstructed in any way so as to prevent free ingress and egress of persons; provided, however, such doors may be closed.

(b) It shall be the duty of all of Game Room Establishment owners and operators of a place where dominoes, cards, or other games are permitted, as described in this article, or the owner or operator of a game room, or other person exercising control over a game room or a portion of a game room, or over a building, facility, or other place that contains random operating machines or amusement redemption machines, to provide egress doors during business hours that are readily opened from the egress side without the use of a key or special knowledge or effort, in conformance with the Construction Code and Fire Code. No electronic locks shall be used to prevent entry during business hours at the places described in this section.

**Sec. 8-218. - Sanitation**

(a) By applying for a Game Room Establishment permit, the owners, agents, managers and operators agree that all premises used pursuant to this article shall be subject to regular inspections by the Chief of Police or his/her designee for city code compliance, including but not limited to, health and sanitation, safety of structure and adequacy of plumbing ventilation, heating and illumination.

(b) Floors shall be free from any accumulation of dust, dirt and refuse. Well-marked toilet and handwashing facilities for permittees, operators and patrons shall be provided. All walls, ceilings, windows and doors shall be free of dust, dirt, refuse and mold. In high humidity areas, including toilet rooms, shower rooms, steam rooms, locker rooms, and other such rooms, the walls, ceilings and floors shall be constructed or covered with a material that is smooth, nonabsorbent and easily cleaned.

**Sec. 8-219. - Animals Prohibited**

No animals shall be permitted within a Game Room Establishment at any time. Service animals brought by a patron shall be the only exception.

**Sec. 8-220. - Equipment**

All equipment used by patrons at game room establishments regulated by this article shall be kept in a clean and sanitary condition, and the equipment shall be kept in a good and safe state of repair at all times.

**Sec. 8-221. - Sexual Misconduct**

(a) A Game Room Establishment owner or individual game room operator shall not engage in sexual contact with any patron while at the Game Room Establishment.

(b) A Game Room Establishment permittee or individual game room operator licensee shall not allow any patron to promote or engage in sexual contact on the premises of the Game Room Establishment.

(c) A Game Room Establishment permittee or individual game room operator shall not work, whether or not for compensation, at or for a sexually oriented business.

(d) Violations of this section shall result in an immediate temporary revocation of the permit or license and may result in a permanent revocation, if approved by the City Council.

**Sec. 8-222. - Nudity or Clothing Designed to Arouse**

A Game Room Establishment permittee or individual game room operator licensee shall not allow any individual to provide any services or conduct any aspects of their employment while in the nude, while partially nude, or in clothing that a reasonable person would consider lewd or obscene.

**Sec. 8-223. - Required Documentation**

A Game Room Establishment shall maintain a current list of all establishment owners, operators and/or contractors at all times which includes full name, date of birth, and a state or governmental identification number.

**Sec. 8-224. - Required Signage**

(a) A Game Room Establishment permitted by this article shall mark each entrance to a game room with a sign that:

(1) States "GAME ROOM" in four inch or larger block letters; and

(2) Is legible and visible at all times from a distance of 25 feet.

(b) Any signage required by this section shall be in conformance with the Lockhart Sign Code.

**Sec. 8-225 - Unrestricted Access by Law Enforcement Officer**

(a) It shall be the duty of all owner, manager, operators, or employee of a Game Room Establishment, or other person exercising control over a Game Room Establishment, a portion of a game room, an amusement redemption machine, random generator machines, or a place where dominoes, cards, or other table games are permitted, to provide any law enforcement officer with immediate unrestricted access during business hours to all areas of a game room.

(b) An owner, manager, operator or employee of a game room or other person who does not allow a law enforcement officer to inspect a Game Room Establishment or amusement redemption machine commits an offense and will be subject to immediate temporary revocation of the establishment and individual operator licenses and may warrant a case being forwarded to City Council for a hearing for a permanent revocation of the permits and licenses.

(c) The owner(s) of a Game Room Establishment shall be present during planned inspections and during any meetings related to obtaining permits or licenses required under this article.

**IV. Repealer.** All provisions of the Code of Ordinances of the City of Lockhart codified or uncodified, in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Code of Ordinances of the City of Lockhart codified or uncodified, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**V. Severability.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any other remaining phrase, clause, sentence, paragraph or section of this Ordinance.

**VI. Repealer.** Any ordinance of the City of Lockhart now in effect that conflicts with the provisions of this Ordinance is repealed to the extent of such conflict

**VII. Publication.** The City Secretary shall cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

**VIII. Effective Date.** This ordinance shall become effective and be in full force ten days from the date of its passage.

**PASSED, ADOPTED AND APPROVED** by the City Council of the City of Lockhart this the \_\_\_ day of \_\_\_\_\_, 2019.

**CITY OF LOCKHART**

\_\_\_\_\_  
Lew White

Approved as to Form:

ATTEST:

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

\_\_\_\_\_  
Monte Akers, City Attorney

# City of Lockhart, Texas

## Council Agenda Item

### Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:**

Discussion and/or action to consider a date to canvass the November 5, 2019 General Election between the dates of November 12 – 18, 2019 and possibly rescheduling the November 19, 2019 Council meeting for canvassing.

**ORIGINATING DEPARTMENT AND CONTACT:** Connie Constancio, City Secretary

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

In November 2018, staff presented information to the Council about rescheduling 2019 meetings due to conflicts. Staff reported the canvassing period to be the same as during the 2017 election. It turns out that the 2017 canvassing period is not the same as the 2019 canvassing period. The Council voted to cancel the 1<sup>st</sup> meeting in November 2019 (Nov 5) since it is Election Day and to leave the 2<sup>nd</sup> regular meeting as scheduled because staff thought that November 19 was the last day to canvass.

Upon receipt of the Texas Secretary of State's (SOS) Election Calendar for the November 5, 2019 election, staff realized that the last day to canvass is November 18, 2019. The canvassing period is dictated by the SOS pursuant to the Texas Election Code as follows:

- 3<sup>rd</sup> day after Election (Nov 8) = First possible day to canvass (not recommended because provisional ballots remain to be processed).
- 9<sup>th</sup> day after Election (Nov 14) = Last day Early Voting Ballot Board (EVBB) can meet to count provisional ballots.
- 13<sup>th</sup> day after Election (Nov 18) = Last day to canvass election.

The County EA informed staff that the EVBB will meet on Tuesday, November 12, 2019 to consider/count provisional ballots. Staff recommends that the Council reschedule the November 19, 2019 meeting to Thursday, November 14, 2019 to enable the County EA to provide the final unofficial election results to enable the Council to canvass the election.

**PROJECT SCHEDULE (if applicable):** N/A

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required: N/A  
Account Number: N/A  
Funds Available: N/A  
Account Name: N/A

**FISCAL NOTE (if applicable):**

**Previous Council Action:** November 20, 2018 Council rescheduled a few meetings in 2019.

**COMMITTEE/BOARD/COMMISSION ACTION:** None.

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff recommends that the Council reschedule the November 19, 2019 meeting to Thursday, November 14, 2019.

**LIST OF SUPPORTING DOCUMENTS:**

Election law calendar information regarding canvassing the November 5, 2019 Election.

Department Head initials:

cc

City Manager's Review:

[Signature]

The general custodian of election records must deliver the ballot box(es) or transfer cases(s) containing the provisional ballots, along with the Summary of Provisional Ballots and the List of Provisional Voters to the county voter registrar, by this day. (Secs. 65.052; 1 Tex. Admin. Code Secs. 81.174(d)(1)).

**NOTE - Political Subdivisions Located in More than One County:** A political subdivision will have to make delivery of the provisional ballots and forms to the county voter registrar in **each** county in which the political subdivision is located. (1 Tex. Admin. Code Secs. 81.172 – 81.174).

**NOTE:** If the county voter registrar wants to take possession of the provisional ballots and forms on election night (Tuesday, November 5, 2019), the county voter registrar must inform the custodian of the election records and post a notice of the transfer no later than 24 hours before election day. However, under this type of delivery, the county voter registrar **must** go to the custodian of election records office and pick up the provisional ballots and forms. Also, note that the county voter registrar may take possession of provisional ballots prior to election night if ballots are kept separate and may be provided without unlawful entry into ballot box. (1 Tex. Admin. Code Secs. 81.172 – 81.174).

\* Friday, November 8, 2019 (3rd day after election day) \*

Last day to begin the **partial manual count** for districts using electronic voting systems. This is the last day to **begin** manual recount of ballots in three precincts or one percent of precincts, whichever is greater, unless requirement has been waived or unless the voting system uses DRE voting machines. (Sec. 127.201(a), (g)). The count must be completed not later than the 21st day after election day. Results of manual count must be delivered to Secretary of State not later than the 3rd day after the manual count is completed. (Sec. 127.201(e)). No partial manual count needs to be done of ballots cast on DRE voting machines. (Sec. 127.201(g)).

\* The first possible day to conduct the official local canvass of returns by the governing authority of the political subdivision. However, the canvass may not be conducted until the early voting ballot board has verified and counted all provisional ballots, if a provisional ballot has been cast in the election, **AND** counted all timely received mailed domestic ballots cast from addresses within the United States, and all timely received mailed ballots cast from addresses outside the United States. (Secs. 67.003 and 86.007). Notice of canvass must be posted at least 72 hours continuously before the canvass is conducted. See note for Tuesday, November 5, 2019.

**Cities, Schools, and Other Political Subdivisions:** First day that newly-elected local officers may qualify and assume the duties of their offices. Please note that the canvass must have been completed before an officer can assume office. (Sec. 67.016). If a political subdivision was able to **cancel** its election, this is the first day its elected officials can take the oath of office and be issued a certificate of election. (Secs. 2.053(e), 67.003, 67.016).

**NOTE:** This does not apply to officers of a Type A general law city, see entry at Monday, November 11, 2019.

**NOTE:** If a recount petition has been filed and a winning candidate's race is involved in the recount, the certificate of election cannot be issued for that race until the recount has been

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United States, or the spouse or a dependent of a member of the merchant marine. (Secs. 101.057 and 101.001).

**NOTE:** Section 101.57 as amended by House Bill 929 (2017) states that carrier envelopes mailed domestically or overseas from certain **military voters** (members of the armed forces of the United States, or the spouse or a dependent of a member of the armed forces, members of the merchant marines of the United States, or the spouse or a dependent of a member of the merchant marine) who submitted a **Federal Post Card Application (FPCA)** may arrive on or before the 6th day after election day. (Secs. 86.007, 101.057 and 101.001).

**NOTE: The carrier envelope or, if applicable, the envelope containing the carrier envelope sent by the military members listed above who applied to vote by mail using the FPCA does NOT need to bear a cancellation or receipt mark in order to be counted.**

\*The deadlines referenced above are extended to the next regular business day which is Tuesday, November 12, 2019 due to the 5th day falling on a Sunday and Veterans Day being observed by the U.S. Postal Service on Monday, November 11, 2019. (Secs. 1.006; 86.007(d-1)).

Deadline for ID related provisional voter to (1) present acceptable photo identification to county voter registrar; or (2) if the voter does not possess and cannot reasonably obtain acceptable photo identification, follow the Reasonable Impediment Declaration procedure at the county voter registrar; or (3) execute an affidavit relative to "natural disaster" or "religious objection" in presence of county voter registrar, if applicable; or (4) qualify for the disability exemption, if applicable, with the county voter registrar. (Secs. 1.006; 65.054; 65.0541).

Deadline for voter registrar to complete the review of provisional ballots. (1 Tex. Admin. Code Sec. 81.175(a)(1)).

Deadline for custodian of election records or presiding judge of the early voting ballot board to retrieve provisional ballots from county voter registrar. (1 Tex. Admin. Code Sec. 81.176(b)(3)).

**Thursday, November 14, 2019 (9th day after election day)**

Last day for **early voting ballot board** to convene to qualify and count:

1. any late **domestic** ballots (non-military) that bear a cancellation mark or receipt mark indicating they were placed for delivery by mail or common or contract carrier not later than 7:00 p.m. on election day, November 5, 2019, and were received not later than 5:00 p.m. on Wednesday, November 6, 2019. (Secs. 86.007(a) and 87.125(a)).
2. any late ballots that were submitted from **outside** the United States by voters who applied for the ballot using an ABBM or by non-military voters who applied for the ballot using an FPCA and which were received by Tuesday, November 12, 2019. (Secs. 87.125(a) and 86.007(d)).
3. any ballots received by Tuesday, November 12, 2019, from voters who are members of the armed forces of the United States, or the spouse or a dependent of a member of the armed forces, members

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- of the merchant marines of the United States, or the spouse or a dependent of a member of the merchant marine and who applied for a ballot using an FPCA. (Secs. 101.057 and 87.125(a)).
4. any provisional ballots that have been reviewed by the voter registrar. (Secs. 65.051(a)).

**NOTE:** Ballots that do not qualify under 1-3 above should be treated as ballots not timely returned and should not be delivered to the ballot board

**Friday, November 15, 2019 (10th day after election day)**

Last day for the presiding judge of the early voting ballot board to mail Notice of Rejected Ballot (PDF) to voters whose mail ballots were rejected. (Sec. 87.0431).

\* **Monday, November 18, 2019 (13th day after election day, 10th day after first canvass date)**

\* Last day for official canvass of returns by governing authority of political subdivision. Because the last day falls on a Saturday, the deadline is extended. (Secs. 1.006, 67.003).

**NOTE:** If a recount petition has been filed and a winning candidate's race is involved in the recount, the certificate of election cannot be issued for that race until the recount has been completed. (Secs. 67.016, 212.0331).

**NOTE: Officially-canvassed returns for the state constitutional amendment election must be delivered by the county election officer to the Secretary of State within 24 hours of the canvass. (Sec. 67.007(d)).**

Last day for the presiding judge of the early voting ballot board to mail Notice of Outcome to Provisional Voter (PDF) to provisional voters if the local canvass was held on Friday, November 8, 2019, the first day of the canvass period. Such notices must be delivered to provisional voters by the presiding judge no later than the 10th day after the local canvass (Sec. 65.059; 1 Tex. Admin. Code Sec. 81.176(e)).

**Wednesday, November 20, 2019 (15th day after election day)**

First day that Governor may conduct the state canvass of the state constitutional amendment election. (Sec. 67.012).

**Tuesday, November 26, 2019 (21st day after election day)**

Last day to complete the partial manual count, if not waived. (Sec. 127.201(a)).

**Thursday, November 28, 2019 (23rd day after election day; 10th day after canvass deadline)**

Last day for the presiding judge of the early voting ballot board to mail notice of the disposition of provisional ballots to provisional voters if the local canvass was held on Monday, November 18, 2019, the last day of the canvass period. (65.059; 1 Tex. Admin. Code Sec. 81.176(e)). Such notices must be delivered to provisional voters by the presiding judge no later than the 10th day after the local canvass.

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# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:**

Discussion and/or action to consider Resolution 2019-20 authorizing representation in IRS matter and delegating authority to execute Form 2848 IRS Power of Attorney.

**ORIGINATING DEPARTMENT AND CONTACT:** Steve Lewis, City Manager

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

The TML MultiState IEBP (the "Pool") provides health benefits to municipal employees throughout the State of Texas. The Pool may have failed to timely file IRS Forms 1094-C and 1095-C (the "Tax Forms") for the 2016 and 2017 federal tax years on behalf of City of Lockhart, related to Lockhart's provision of minimum essential health coverage to its employees. The Board of Trustees of the Pool have agreed to resolve any proposed imposition of penalties and fines by the IRS for the late filing of the Tax Forms (the "Penalties") on behalf of all affected members of the Pool, including Lockhart. The Pool has engaged the law firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC ("Mitchell Williams") to represent the Pool and its members before the IRS with respect to any such Penalties, and the Pool shall be solely responsible for all communication with and payment of Mitchell Williams with regard to such matter. In order for Mitchell Williams and its attorneys to communicate with the IRS regarding any Penalties proposed to be assessed against City of Lockhart, an authorized official of Lockhart must execute a Form 2848 IRS Power of Attorney authorizing the attorneys to represent Lockhart before the IRS.

The proposed resolution authorizes City of Lockhart to:

1. engage Mitchell Williams to represent Lockhart before the IRS with respect to resolving the proposed IRS Penalties that have been or may in the future be asserted against City of Lockhart; and
2. delegate and authorize the City Manager to execute a Form 2848 IRS Power of Attorney for the purpose of granting the attorneys listed therein the authority to represent City of Lockhart before the IRS solely with respect any such proposed Penalties for tax years 2016 and 2017.

**PROJECT SCHEDULE (if applicable):** N/A

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required: N/A  
Account Number: N/A  
Funds Available: N/A  
Account Name: N/A

**FISCAL NOTE (if applicable):**

Previous Council Action: None.

**COMMITTEE/BOARD/COMMISSION ACTION:** None.

**STAFF RECOMMENDATION/REQUESTED MOTION:**

Staff recommends approval of Resolution 2019-20, as presented.

**LIST OF SUPPORTING DOCUMENTS:** Resolution 2019-20 and Memo from TML IEBP.

Department Head initials:  
\_\_\_\_\_

City Manager's Review:  
\_\_\_\_\_

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**RESOLUTION NO. 2019-20**

**RESOLUTION OF THE CITY COUNCIL OF LOCKHART, TEXAS,  
AUTHORIZING REPRESENTATION IN AN IRS MATTER AND  
DELEGATING AUTHORITY TO EXECUTE FORM 2848 IRS POWER OF ATTORNEY  
TO THE CITY MANAGER**

**WHEREAS**, the TML MultiState Intergovernmental Employee Benefits Pool (the "Pool") may have failed to timely file IRS Forms 1094-C and 1095-C (the "Tax Forms") for the 2016 and 2017 federal tax years on behalf of City of Lockhart, related to Lockhart's provision of minimum essential health coverage to its employees; and

**WHEREAS**, the Pool has agreed to resolve any proposed imposition of penalties and fines by the IRS for the late filing of the Tax Forms (the "Penalties") on behalf of all affected members of the Pool, including Lockhart; and

**WHEREAS**, the Pool has engaged the law firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC ("Mitchell Williams") to represent the Pool and its members before the IRS with respect to any such Penalties, and the Pool shall be solely responsible for all communication with and payment of Mitchell Williams with regard to such matter; and

**WHEREAS**, in order for Mitchell Williams and its attorneys to communicate with the IRS regarding any Penalties proposed to be assessed against the City of Lockhart, an authorized official of the City must execute a Form 2848 IRS Power of Attorney authorizing the attorneys to represent City of Lockhart before the IRS; and

**WHEREAS**, City Council finds it necessary and proper to authorize the City Manager to execute a Form 2848 on behalf of the City for such purpose;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF LOCKHART, TEXAS,**  
that:

1. The engagement of Mitchell Williams to represent the City of Lockhart before the IRS with respect to resolving the proposed IRS Penalties that have been or may in the future be asserted against the City.
2. The City Manager of Lockhart is hereby authorized to execute a Form 2848 IRS Power of Attorney, in the form attached hereto as Exhibit A, for the purpose of granting the attorneys listed therein the authority to represent the City before the IRS solely with respect any such proposed Penalties for tax years 2016 and 2017.

ADOPTED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2019

**CITY OF LOCKHART:**

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

**Attest:**

**Approved as to form:**

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

\_\_\_\_\_  
Monte Akers, City Attorney

Exhibit A

Form **2848**  
(Rev. January 2018)  
Department of the Treasury  
Internal Revenue Service

**Power of Attorney  
and Declaration of Representative**

OMB No. 1545-0150

**For IRS Use Only**

Received by:

Name \_\_\_\_\_

Telephone \_\_\_\_\_

Function \_\_\_\_\_

Date / /

► Go to [www.irs.gov/Form2848](http://www.irs.gov/Form2848) for instructions and the latest information.

**Part I Power of Attorney**

**Caution:** A separate Form 2848 must be completed for each taxpayer. Form 2848 will not be honored for any purpose other than representation before the IRS.

**1 Taxpayer information.** Taxpayer must sign and date this form on page 2, line 7.

Taxpayer name and address		Taxpayer identification number(s)	
		Daytime telephone number	Plan number (if applicable)

hereby appoints the following representative(s) as attorney(s)-in-fact:

**2 Representative(s)** must sign and date this form on page 2, Part II.

Name and address Craig R. Cockrell 4206 S. J.B. Hunt Drive, Suite 200 Rogers, AR 72758	CAF No. _____ 0308-50611R PTIN _____ Telephone No. _____ 479-464-5683 Fax No. _____ 479-878-6938
<b>Check if to be sent copies of notices and communications</b> <input checked="" type="checkbox"/>	Check if new: Address <input checked="" type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input checked="" type="checkbox"/>

Name and address Anton L. Janik, Jr. 426 W. Capitol Avenue, Suite 1800 Little Rock, AR 72201	CAF No. _____ 030539239R PTIN _____ Telephone No. _____ 501-688-8888 Fax No. _____ 501-918-7888
<b>Check if to be sent copies of notices and communications</b> <input type="checkbox"/>	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
(Note: IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

Name and address	CAF No. _____ PTIN _____ Telephone No. _____ Fax No. _____
(Note: IRS sends notices and communications to only two representatives.)	Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer before the Internal Revenue Service and perform the following acts:

**3 Acts authorized (you are required to complete this line 3).** With the exception of the acts described in line 5b, I authorize my representative(s) to receive and inspect my confidential tax information and to perform acts that I can perform with respect to the tax matters described below. For example, my representative(s) shall have the authority to sign any agreements, consents, or similar documents (see instructions for line 5a for authorizing a representative to sign a return).

Description of Matter (Income, Employment, Payroll, Excise, Estate, Gift, Whistleblower, Practitioner Discipline, PLR, FOIA, Civil Penalty, Sec. 5000A Shared Responsibility Payment, Sec. 4980H Shared Responsibility Payment, etc.) (see instructions)	Tax Form Number (1040, 941, 720, etc.) (if applicable)	Year(s) or Period(s) (if applicable) (see instructions)
Civil Penalty	1094-C; 1095-C	2016-2017

**4 Specific use not recorded on Centralized Authorization File (CAF).** If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for **Line 4. Specific Use Not Recorded on CAF** . . . . .

**5a Additional acts authorized.** In addition to the acts listed on line 3 above, I authorize my representative(s) to perform the following acts (see instructions for line 5a for more information):  Access my IRS records via an Intermediate Service Provider;

Authorize disclosure to third parties;  Substitute or add representative(s);  Sign a return; \_\_\_\_\_

Other acts authorized: \_\_\_\_\_

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**b Specific acts not authorized.** My representative(s) is (are) not authorized to endorse or otherwise negotiate any check (including directing or accepting payment by any means, electronic or otherwise, into an account owned or controlled by the representative(s) or any firm or other entity with whom the representative(s) is (are) associated) issued by the government in respect of a federal tax liability.  
List any other specific deletions to the acts otherwise authorized in this power of attorney (see instructions for line 5b): \_\_\_\_\_

**6 Retention/revocation of prior power(s) of attorney.** The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here  **YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.**

**7 Signature of taxpayer.** If a tax matter concerns a year in which a joint return was filed, each spouse must file a separate power of attorney even if they are appointing the same representative(s). If signed by a corporate officer, partner, guardian, tax matters partner, partnership representative, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the legal authority to execute this form on behalf of the taxpayer.  
**▶ IF NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THIS POWER OF ATTORNEY TO THE TAXPAYER.**

\_\_\_\_\_  
Signature Date Title (if applicable)  
\_\_\_\_\_  
Print Name Print name of taxpayer from line 1 if other than individual

**Part II Declaration of Representative**

- Under penalties of perjury, by my signature below I declare that:
- I am not currently suspended or disbarred from practice, or ineligible for practice, before the Internal Revenue Service;
  - I am subject to regulations contained in Circular 230 (31 CFR, Subtitle A, Part 10), as amended, governing practice before the Internal Revenue Service;
  - I am authorized to represent the taxpayer identified in Part I for the matter(s) specified there; and
  - I am one of the following:
    - a Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
    - b Certified Public Accountant—a holder of an active license to practice as a certified public accountant in the jurisdiction shown below.
    - c Enrolled Agent—enrolled as an agent by the Internal Revenue Service per the requirements of Circular 230.
    - d Officer—a bona fide officer of the taxpayer organization.
    - e Full-Time Employee—a full-time employee of the taxpayer.
    - f Family Member—a member of the taxpayer’s immediate family (spouse, parent, child, grandparent, grandchild, step-parent, step-child, brother, or sister).
    - g Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Internal Revenue Service is limited by section 10.3(d) of Circular 230).
    - h Unenrolled Return Preparer—Authority to practice before the IRS is limited. An unenrolled return preparer may represent, provided the preparer (1) prepared and signed the return or claim for refund (or prepared if there is no signature space on the form); (2) was eligible to sign the return or claim for refund; (3) has a valid PTIN; and (4) possesses the required Annual Filing Season Program Record of Completion(s). **See Special Rules and Requirements for Unenrolled Return Preparers in the instructions for additional information.**
    - k Qualifying Student—receives permission to represent taxpayers before the IRS by virtue of his/her status as a law, business, or accounting student working in an LITC or STCP. See instructions for Part II for additional information and requirements.
    - r Enrolled Retirement Plan Agent—enrolled as a retirement plan agent under the requirements of Circular 230 (the authority to practice before the Internal Revenue Service is limited by section 10.3(e)).

**▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT COMPLETED, SIGNED, AND DATED, THE IRS WILL RETURN THE POWER OF ATTORNEY. REPRESENTATIVES MUST SIGN IN THE ORDER LISTED IN PART I, LINE 2.**

**Note:** For designations d-f, enter your title, position, or relationship to the taxpayer in the "Licensing jurisdiction" column.

Designation— Insert above letter (a-r).	Licensing jurisdiction (State) or other licensing authority (if applicable).	Bar, license, certification, registration, or enrollment number (if applicable).	Signature	Date
a	AR	2010247		
a	AR	2007271		

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August 14, 2019

*Via [plarison@lockhart-tx.org](mailto:plarison@lockhart-tx.org)*

ATTN: Ms. Pam Larison  
City of Lockhart  
[plarison@lockhart-tx.org](mailto:plarison@lockhart-tx.org)

**RE: Update on Status of TML Health's Review of IRS Notices of Penalty Proposed for 2017 Information Returns**

Dear Ms. Larison:

This letter is to provide another update on the status of our efforts to resolve the proposed IRS penalty notices arising from an administrative error in filing the 1095-C forms on your behalf. The TML Health Board of Trustees conducted a special meeting on Saturday, August 10, 2019. The Trustees voted to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members (or ASO Members) of IRS Form 1095-C for the 2017 federal tax year and 2016 tax year, if applicable. These actions demonstrate our commitment to you to resolve this matter and to relative penalties on your behalf, if in fact a penalty is assessed. I have enclosed a copy of the approved resolutions for your records.

This means that TML Health will be working with tax attorneys at the law firm Mitchell, Williams, Selig, Gates & Woodward, P.L.L.C. (Mitchell Williams) to communicate with the IRS on your behalf to resolve the proposed IRS penalty notices relating to the late filing of the 2017 IRS Form 1095-C.

In order to facilitate a unified and timely resolution for all affected IEBP Member groups, your prompt support in this matter is very important. We believe that the unified approach will provide the best opportunity for the most favorable results for all affected Member organizations.

Enclosed is an IRS Power of Attorney (Form 2848) giving our attorneys the ability to communicate directly with the IRS about the matter on behalf of your group. We ask that you complete the enclosed Power of Attorney form even if you have not yet received a penalty notice from the IRS. Although we will only respond to the IRS on behalf of the Member groups that have received penalty notices, we want to have a Power of Attorney on file from each Member group so that we can assist immediately when and if you do receive a notice.

In section 1 of the enclosed Power of Attorney Form, please type or write in your organization's name address, taxpayer identification number (EIN), and telephone number. On page 2, section 7, please have an authorized official within your organization sign and date the form, and either write or type in the signor's title, printed name and the name of your organization. Once the Power of Attorney form has been signed, please email or fax the signed form back to me.

Follow us:  
[@TMLHealth](#)



1821 Rutherford Lane, Suite 300  
Austin, Texas 78754-5151  
(512) 719-6500 • (800) 282-5385

For more information, visit us at  
[tmlhealthbenefits.org](http://tmlhealthbenefits.org)

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Please note that this Power of Attorney is limited only to discussing the penalties proposed for late filing of Forms 1094-C and 1095-C for tax years 2016 and 2017. It does not override or revoke any other IRS Power of Attorney you may have on file for any other matters. Further, your group will have the ability to approve any resolution or settlement negotiated with the IRS on your behalf.

I also understand that you may need to seek approval from your group's governing body in order to designate an authorized official within your organization to execute the enclosed Power of Attorney. With that in mind, I have enclosed a model memo explaining the issue and purpose of the resolution, and a model resolution to be adopted for this purpose.

The deadline to respond to the IRS for many Member groups is **September 12, 2019**, so your prompt attention to this matter is very important. If you receive any correspondence from the IRS concerning the 1095-C forms in the coming days, please send my office a copy via email to [General.Counsel@tmlhb.org](mailto:General.Counsel@tmlhb.org). For questions about the enclosed Form or the penalty matter in general, please feel free to contact my office at (512) 719-8349.

Sincerely,



Leah Simon  
General Counsel

Enclosures: TML Health Board Resolutions 19-05, 19-06 and 19-07;  
Power of Attorney Form (IRS Form 2848);  
Model Memo for Consideration of Resolution Agenda Item  
Model Resolution Authorizing Power of Attorney

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@TMLHealth



1821 Rutherford Lane, Suite 300  
Austin, Texas 78754-5151  
(512) 719-6500 • (800) 282-5385

For more information, visit us at  
[tmlhealthbenefits.org](http://tmlhealthbenefits.org)

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## MEMORANDUM

DATE: August 16, 2019  
TO: City of Lockhart  
SUBJECT: Purpose of Resolution Authorizing Representation in IRS Matter and Delegating Authority to Execute Form 2848 IRS Power of Attorney

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This memo explains the purpose of the resolution authorizing representation in the IRS matter concerning notice of proposed penalties for the late filing of IRS Forms 1094-C and 1095-C for the 2016 and 2017 federal tax years.

### Background:

In summary, TML IEBP was required to file forms 1094-B, with the IRS regarding health insurance coverage provided to Pool group employees. Forms 1094-B and 1095-B (the "B" Forms) are required to be filed by health insurance issuers and carriers to report information to the IRS and employees regarding provision of minimum essential coverage under the Affordable Care Act. A separate 1095-B is filed for each employee with the IRS, and a copy is provided to the employee. Form 1094-B reports summary information for the issuer/carrier and transmits the Forms 1095-B to the IRS. TML IEBP has timely filed "B" Forms as an "issuer" of coverage each year since 2015, and provided copies to all Pool groups' employees.

Form 1094-C and 1095-C (the "C" Forms) are required to be filed by employers with more than 50 full-time employees (Applicable Large Employers, and ALEs) to report information to the IRS about the ALE's offer of health coverage to its employees. As with the "B" Forms, a separate 1095-C is filed for each Pool ALE member employee with the IRS, and a copy is provided to the employee. Form 1094-C reports summary information for the ALE and transmits the Forms 1095-C to the IRS. The "C" Forms are used to determine if the employer is required to make the employer shared responsibility payment under § 4980H of A.C.A., and the eligibility of employees for a "premium tax credit." TML IEBP filed "C" Forms for 2015 for all Pool ALE Members it identified as an ALE based on the number of employees enrolled in the benefit plan. However, due to an administrative error, the TML IEBP did not file the forms for tax years 2016 or 2017 until the fall of 2018.

### IRS Notices

Several Pool ALE groups received IRS notices in August 2018 stating that the group was required to file "C" Forms for 2016. TML filed "C" Forms for each Pool ALE group for 2016 on October 29, 2018, and for tax year 2017 on November 13, 2018. ALE groups have started receiving letters proposing to issue a penalty for failure to timely file the "C" Forms for tax year 2017. No letters proposing penalties have been received to date for tax year 2016.

# City of Lockhart, Texas

## Council Agenda Item Briefing Data

**COUNCIL MEETING DATE:** August 20, 2019

**AGENDA ITEM CAPTION:**

Discussion and/or take action regarding Resolution 2019-18 approving the President of the Lockhart Economic Development Corporation to pursue a loan from Government Capital, located in Southlake, Texas, in the amount of \$500,000.

**ORIGINATING DEPARTMENT AND CONTACT:** Economic Development, Mike Kamerlander

**ACTION REQUESTED:**

ORDINANCE       RESOLUTION       CHANGE ORDER       AGREEMENT  
 APPROVAL OF BID       AWARD OF CONTRACT       CONSENSUS       OTHER

**BACKGROUND/SUMMARY/DISCUSSION:**

The Lockhart Economic Development Corporation (LEDC) held the required public hearing on August 15, 2019. The board voted 4-2 to approve LEDC Resolution 2019-03 authorizing the LEDC President to pursue a \$500,000 loan with Government Capital.

**PROJECT SCHEDULE (if applicable):**

**AMOUNT & SOURCE OF FUNDING: (to be completed by Finance)**

Funds Required:

Account Number:

Funds Available:

Account Name:

**FISCAL NOTE (if applicable):**

Previous Council Action:

**COMMITTEE/BOARD/COMMISSION ACTION:** LEDC Board 4-2 approval

**STAFF RECOMMENDATION/REQUESTED MOTION:** Staff respectfully recommends approval of Resolution 2019-18 as presented.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution 2019-18, LEDC Resolution 2019-03, LEDC August 15, 2019 agenda and minutes.

Department Head initials:

JK

City Manager Review:

[Signature] 71

**RESOLUTION NO. R-2019-18**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART APPROVING THE APPLICATION OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION FOR A LOAN OF UP TO \$500,000.00 FROM GOVERNMENT CAPITAL CORPORATION TO PROVIDE FINANCIAL INCENTIVES UNDER A PERFORMANCE AGREEMENT BETWEEN THE CORPORATION AND SILICON VEGAS, LLC, D/B/A PROMOGO**

**WHEREAS**, the Lockhart Economic Development Corporation (“LEDC”) is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

**WHEREAS**, the LEDC is preparing to enter into a performance agreement with Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation (“Promogo”) for a project that will bring primary jobs to the City of Lockhart and which the Board of Directors finds will promote new or expanded business development in the City of Lockhart and the surrounding area; and

**WHEREAS**, Government Capital Corporation is a financial institution located in Southlake, Texas that provides loans and financial assistance to economic development corporations for the purpose of providing financial incentives for the promotion of local economic development projects; and

**WHEREAS**, the Board of Directors of the LEDC has approved the seeking and securing a loan for the financial incentives contained in the aforesaid performance agreement as part of that project.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART** that:

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The LEDC’s application to Government Capital Corporation for a loan of up to \$500,000.00 is approved as part of Promogo project and pursuant to Sec. 501.073(a), Texas Local Government Code, for the purpose of providing funding and its use for the financial incentives contained in the performance agreement by and between the LEDC and Promogo.

**Approved and adopted** on this, the \_\_\_\_ day of \_\_\_\_\_, 2019.

**City of Lockhart**

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

**Attest:**

**Approved as to form:**

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

\_\_\_\_\_  
Monte Akers, City Attorney

RESOLUTION NO. R-2019-03

HISTORY

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION APPROVING THE APPLICATION FOR A LOAN OF UP TO \$500,000.00 FROM GOVERNMENT CAPITAL CORPORATION TO PROVIDE FINANCIAL INCENTIVES UNDER A PERFORMANCE AGREEMENT BETWEEN THE CORPORATION AND SILICON VEGAS, LLC, D/B/A PROMOGO

WHEREAS, the Lockhart Economic Development Corporation ("LEDC") is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

WHEREAS, the LEDC is preparing to enter into a performance agreement with Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation ("Promogo") for a project that will bring primary jobs to the City of Lockhart and which the Board of Directors finds will promote new or expanded business development in the City of Lockhart and the surrounding area; and

WHEREAS, Government Capital Corporation is a financial institution located in Southlake, Texas that provides loans and financial assistance to economic development corporations for the purpose of providing financial incentives for the promotion of local economic development projects; and

WHEREAS, the Board of Directors is of the opinion that seeking and securing a loan for the financial incentives contained in the aforesaid performance agreement is in the best interests of the LEDC and the City of Lockhart;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION, that:

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The Executive Director of the LEDC is directed to make application to Government Capital Corporation for a loan of up to \$500,000.00 for the purpose of providing funding for the financial incentives provided for in the performance agreement by and between the LEDC and Promogo.

Approved and adopted on this, the 15<sup>th</sup> day of August, 2019.

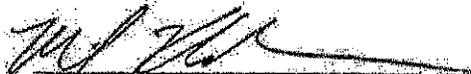
Lockhart Economic Development Corporation



Alan Fielder, President Chairman

Attest:

Approved as to form:

  
Michael Kamerlander, Board Secretary

  
Monte Akers, Board Attorney

PUBLIC NOTICE

AGENDA

LOCKHART ECONOMIC DEVELOPMENT CORPORATION

THURSDAY, AUGUST 15, 2019

6:00 P.M.

CITY HALL

308 WEST SAN ANTONIO STREET – GLOSSERMAN ROOM

HISTORY

1. CALL TO ORDER

2. PUBLIC COMMENTS

3. DISCUSSION AND/OR ACTION

- 3.1 Discussion and/or action regarding minutes from the July 8, 2019 meeting.
- 3.2 Discussion and/or action regarding sales tax and financial statement.
- 3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President, to pursue a loan in the amount of \$500,000.
- 3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promogo in which the company agrees to occupy newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC providing up to a \$500,000 forgivable loan.
- 3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

4. EXECUTIVE SESSION

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Project Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

5. DISCUSSION ONLY

5.1 Activity Updates

6. ADJOURN

*If, during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Lockhart Economic Development Corporation will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D to consider one or more matters pursuant to the following:*

*Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with this chapter.*

*Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.073. To deliberate a negotiated contract for a prospective gift or donation to the state or the governmental body if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.*

*Section 551.076. To deliberate the deployment, or specific occasions for implementation, of security personnel or devices.*

*Section 551.086. To deliberate vote or take final action on any competitive matters relating to public power utilities.*

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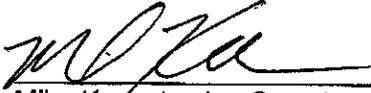
# HISTORY

Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.

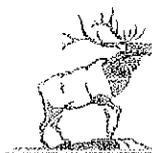
Section 551.088. To deliberate a test item or information related to a test item if the governmental body believes that the test item may be included in a test the governmental body administers to individuals who seek to obtain or renew a license or certificate that is necessary to engage in an activity.

*After discussion of any matters in executive session, any final action or vote taken will be in public by the Lockhart Economic Development Corporation.*

I certify that the above notice of meeting was posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 12<sup>th</sup> day of August 2019 at 2:15 PM.



Mike Kamerlander, Secretary, LEDC



**GOVERNMENT CAPITAL**

**CORPORATION**

345 MIRON DRIVE SOUTHLAKE, TEXAS 76092 817 421 5400  
WWW.GOVCAP.COM

HISTORY

**Lockhart Economic Development Corporation  
Lockhart, Texas**

July 24, 2019

**FINANCING STRUCTURE:** Type 4B Taxable Note Secured by Sales Tax

**PROJECT:** Performance Agreement Cash Grant

**SPECIAL COUNSEL:** Naaman, Howell, Smith & Lee, Waco, TX

**ESTIMATED SOURCES AND USES OF FUNDS:**

<b>Source:</b>	Note Proceeds	\$ 509,000.00
<b>Total Sources</b>		<b>\$ 509,000.00</b>
<b>Uses:</b>	Project	\$ 500,000.00
	*Issuance Costs (0.018)	\$ 9,000.00
<b>Total Sources &amp; Uses</b>		<b>\$ 509,000.00</b>

\*The above issuance cost represents total issuance costs necessary for closing the transaction as contemplated. Issuance Cost Allocation includes Special Tax Counsel, Private Placement Cost and Filing Fees.

<b>TERM:</b>	<u>20 Qrtly Pmts (5 yr)</u>	<u>40 Qrtly Pmts (10 yr)</u>	<u>60 Qrtly Pmts (15 yr)</u>
<b>INTEREST RATE:</b>	3.50% <b>Fixed</b>	4.10% <b>Fixed</b>	4.50% <b>Fixed</b>
<b>PAYMENT AMOUNT:</b>	\$ 27,852.69 (P&I)	\$ 15,575.59 (P&I)	\$ 11,712.01 (P&I)
<b>PAYMENT DATES:</b>	90 Days from Closing, Quarterly thereafter		

**ADDITIONAL NOTES:**

- ✓ The above proposal is subject to audit analysis and mutually acceptable documentation. The terms outlined herein are subject to change and rates are valid for twenty-one (21) days from the date of this proposal. If funding does not occur within this period, rates will be indexed to markets at such time.
- ✓ The above transaction allows for parity debt to be issued at a 1.15x coverage allowing maximum flexibility for subsequent economic development projects.
- ✓ At LEDC's option, LEDC may provide an Equity Injection to reduce the principal amount of the new transaction. Any reduction will result in the reduced Issuance Cost and Payment Calculations.

Blessings,

**Drew**

Drew Whittington  
Client Services  
Main: 817-421-5400

*The transaction described herein is an arm's length, commercial transaction between you and Government Capital Corporation ("GCC"), in which GCC: (i) is acting solely for its own financial and other interests that may differ from yours; (ii) is not acting as your municipal advisor or financial advisor, and has no fiduciary duty to you with respect to this transaction; and (iii) is not recommending that you take an action with respect to this transaction.*

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HISTORY

Draft 8.16.19

3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President to pursue a loan in the amount of \$500,000.

Jeff Lumberg, CEO of Promogo introduced Joe Sanchez and Taryn Harris. He stated that they have put together a great team with a variety of skills that have made their company a success.

Jeff gave an overview of the product that they have developed to streamline the process of booking vendors that provide samples of products at grocery stores. This system would collect data related to the number of patrons that sampled the products. Jeff stated his company are data experts that collect the data and package it for customers' marketing needs.

This platform will assist with making the whole process easier and ensuring it runs smoothly from booking the talent, making sure they are paid on time and packaging the data collected.

Motion to approve Resolution 2019-03 and the five-year option

Motion: Dyral Thomas

Second: Alfredo Munoz

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promongo in which the company agrees to occupy a newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC provided up to \$500,000 forgivable loan.

Mike stated that in order for Promogo to receive the first \$300,000 they must sign a lease here in Lockhart. He stated should they not enter into a lease with the permanent location with a capital expenditure of at least \$2 million within the first two years, they would owe that \$300,000 plus any interest and fees back to LEDC. The last \$200,000 the requirement is that they are in the permanent building with a capital expenditure of at least \$2 million. They are also required to create 30 jobs. For every job they miss they are required to pay LEDC \$5,000.

Motion to approve Resolution 2019-04 as presented

Motion: Alfredo Munoz

Second: Dyral Thomas

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed.

LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC)

MINUTES

Thursday, August 15, 2019 - 6:00 P.M.  
Glosserman Room - Downstairs - City Hall  
308 WEST SAN ANTONIO STREET

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3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

This is a reimbursement resolution. Should City Council approve this project, LECD will have the ability to give Promogo the \$300,000 as it takes 60 days to get approved for the loan. This resolution allows LEDC to be reimbursed for that prepaid expense.

Motion to approve Resolution 2019-05 as presented

Motion: Alfredo Munoz

Second: Sally Daniel

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

4. **EXECUTIVE SESSION**

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Projects Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

Into Executive Session at 6:15 p.m.

Out of Executive Session at 6:49 p.m.

Motion to authorize Steve Lewis, City Manger to make an offer as discussed in executive session.

Motion: Dyral Thomas

Seconded: Alfredo Munoz

Vote: 5 of 6 with Frank Estrada opposed

5. **DISCUSSION ONLY**

5.1 Activity Updates

Frank Estrada stated he would be attending a continued education with TML. He asked that the board pay for half of the cost.

Alan stated that this will be placed on the agenda for next month.

6. **ADJOURN**

Motion to adjourn

Motion: Dyral Thomas

Second: Morris Alexander

Vote: 6 of 6

**LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC)**

**MINUTES**

**Thursday, August 15, 2019 - 6:00 P.M.  
Glosserman Room – Downstairs – City Hall  
308 WEST SAN ANTONIO STREET**

Page 4 of 4

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**RESOLUTION NO. R-2019-19**

**A RESOLUTION OF THE CITY COUNCIL OF LOCKHART APPROVING A PERFORMANCE AGREEMENT FOR AN AUTHORIZED PROJECT PURSUANT TO CHAPTERS 501 AND 505, TEXAS LOCAL GOVERNMENT CODE, SUCH PROJECT BEING KNOWN AS "PROJECT PROMO."**

**WHEREAS**, the Lockhart Economic Development Corporation ("LEDC") is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

**WHEREAS**, Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation ("Promogo") has applied to LEDC for financial incentives for a project whereby Promogo will have a building in the City of Lockhart renovated to be used as multi-tenant business facility; and

**WHEREAS**, the project will create primary jobs in the City of Lockhart and qualifies as a project pursuant to Chapters 501 and 505, Texas Local Government Code; and

**WHEREAS**, the Board of Directors finds that the project will promote new or expanded business development in the City of Lockhart and the surrounding area; and

**WHEREAS**, the Board of Directors is of the opinion that approving a performance agreement for the project and providing financial incentives for its implementation is in the best interests of the LEDC and the City of Lockhart;

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF LOCKHART, TEXAS**, that:

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The Performance Agreement by and between the LEDC and Promogo, attached hereto as Exhibit "A" and incorporated herein is hereby approved and authorized.
3. The Executive Director of the LEDC is directed to take such steps as are necessary to obtain approval of the City Council of Lockhart for the project and Performance Agreement, in the manner required by law, and to take such other steps, including the issuance of notice and the holding of a public hearing, that will authorize and implement the project and performance agreement and payment of financial incentives thereunder.

**Approved and adopted** on this, \_\_\_\_ day of \_\_\_\_\_, 2019.

**City of Lockhart**

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

**Attest:**

**Approved as to form:**

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

\_\_\_\_\_  
Monte Akers, City Attorney

**ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT**

This Economic Development Performance Agreement (“Agreement”) is made and entered into by and between THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION OF LOCKHART, TEXAS (“LEDC”), a Type B Economic Development Corporation, and Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation (“PROMOGO”).

**RECITALS**

**WHEREAS**, PROMOGO desires to locate and operate inside a Multi-tenant business facility in the City of Lockhart, Texas (“City”) and participate in the Economic Development Program established in this Agreement; and

**WHEREAS**, PROMOGO is in the process of securing and having renovated a building in the City of Lockhart that belongs to Sabot Development, Ltd., a Texas corporation (“Sabot”) it intends to lease portions of for the purpose of establishing the Multi-tenant business facility; and

**WHEREAS**, the LEDC desires to establish the Economic Development Program outlined herein and to offer incentives to PROMOGO to locate such business in the City; and

**WHEREAS**, the City of Lockhart will enter into an economic development agreement pursuant to Chapter 380, Texas Local Government Code for the purpose of providing financial incentive to Sabot to renovate and lease the building to PROMOGO; and

**WHEREAS**, LEDC is authorized to promote state and local economic development and to stimulate business and commercial activity within the City, and LEDC has determined that substantial economic benefits, including the bringing of new primary jobs to the City, an increase in the City’s tax rolls, and the creation of new opportunities for local employment, will accrue to the City and the surrounding area, if such business is successfully developed on such property; and

**WHEREAS**, LEDC and PROMOGO desire to enter into this Agreement in order to comply with Sec. 501.158, Texas Local Government Code, which requires an economic development corporation, in order to offer incentives or make expenditures on behalf of a business enterprise under a project, to enter into a performance agreement that addresses a schedule of jobs created or retained, capital investment to be made, direct incentives provided, and the terms under which repayment shall be made in the event a business enterprise does not meet the requirements specified in the Agreement;

**NOW THEREFORE**, in consideration of the foregoing and the covenants, agreements, representations, and warranties hereinafter set forth and for other good and

valuable consideration, the receipt and sufficiency of which are hereby acknowledged, LEDC and PROMOGO agree as follows:

## **AGREEMENTS**

### **Section 1. Recitals**

The recitals set forth above are incorporated herein by reference as if fully set forth in their entirety.

### **Section 2: Definitions**

(a) "Building" shall mean the building belonging to Sabot Development or another entity that is located at another address located within the Lockhart city limits with property of comparable value.

(b) "Effective Date" shall mean the date, at or following execution of this Agreement, that PROMOGO provides LEDC with a copy of an executed lease of the Building by PROMOGO as lessee and Sabot or its legal successor as lessor.

(c) "Full Time Equivalent Job" ("FTE Job") shall mean a permanent, full time equivalent employment position that meets the definition of a "Primary Job" pursuant to Sec. 501.002(12), Texas Local Government Code, and at which the employee is employed on December 31st of each year of the term of this Agreement at an average annual compensation level of Thirty-Six Thousand Dollars (\$36,000.00) plus health insurance benefits. Two part-time jobs, but no more than two, may be counted as one FTE Job for the purposes of this Agreement if compensation and health insurance requirements are met. It is the intent of the parties that "full time" shall mean 2080 hours employment in a normal calendar year.

### **Section 3: Term**

The term of this Agreement shall be five (5) years, commencing on January 1st, 2020, the effective date of this Agreement, and terminating at midnight on the day immediately preceding the fifth anniversary of the effective date.

### **Section 4. PROMOGO Requirements**

In consideration of the financial incentives described, offered, and to be paid by LEDC pursuant to this Agreement, PROMOGO agrees:

(a) To enter into a lease of a building or portions thereof in order to have the Building renovated for use of portions thereof as a Multi-tenant business facility. Temporary leased space within Lockhart City Limits qualifies as long as PROMOGO demonstrates ongoing commitment to a permanent location facilitating the investment requirement of at least \$2 million and does not

exceed 2 years in length including subsequent lease agreements unless otherwise approved in writing by LEDC.

- (b) To notify LEDC in writing when the Building has been satisfactorily renovated, Sabot has received a Certificate of Occupancy from the City of Lockhart and specifying the date that PROMOGO will move into the Building and begin operation of the Multi-tenant business facility therein.
- (c) To move into the Building and commence operations by the date specified under Section 4(b);
- (d) To create and employ at least thirty (30) employees in Full Time Equivalent Jobs over the term of this Agreement, at a rate of at least five such jobs per year.
- (e) To continue operating the Multi-tenant business facility business in the Building (or at such other location in the City approved by the LEDC) throughout the term of this Agreement;
- (f) To maintain the number of Full Time Equivalent Jobs created pursuant to Section 4(e) throughout the term of this Agreement.
- (g) To keep current in the payment of taxes owed by Promogo to any taxing jurisdiction having jurisdiction in connection with its operations in Lockhart.
- (h) To provide payroll records to LEDC annually showing compliance with Section 4(f) as well as Employment and Payroll Certification as of December 31 of each year, beginning in 2020, during the term of this Agreement.
- (i) To meet all requirements of this Agreement and to comply with all applicable City of Lockhart ordinances, state and federal law, and related requirements during the term of this Agreement.

#### Section 5. LEDC Requirements

In consideration of PROMOGO agreement to locate its business within the City and to perform the other acts described herein, LEDC agrees it will:

- (a) To provide PROMOGO a forgivable loan of not to exceed Five Hundred Thousand Dollars (\$500,000.00), payable as follows:
  - 1. Three Hundred Thousand Dollars (\$300,000.00) to be paid to PROMOGO no later than thirty (30) days following LEDC's receipt of satisfactory written documentation of PROMOGO's fulfillment of the requirements described in Section 4(a).
  - 2. Two Hundred Thousand Dollars (\$200,000.00) to be paid to PROMOGO no later than thirty (30) days following LEDC's receipt of satisfactory written documentation of PROMOGO's fulfillment of the requirements described in Section 4(c) above.
- (b) In the event of fulfillment of the requirements described in Sections 4(a), 4(b), and 4(c) above, then to forgive \$250,000 or fifty percent (50%) of the loan made by LEDC to PROMOGO described in this Section and to provide PROMOGO with written documentation that repayment of this portion of the loan or any part thereof is forgiven and that repayment of this portion of the loan is not

required.

- (c) In the event that PROMOGO fully performs its requirements and obligations under this Agreement, then to forgive the remaining portion of the loan made by LEDC to PROMOGO described in this Section and to provide PROMOGO with written documentation that repayment of the remaining portion of the loan or any part thereof is forgiven and that repayment of the loan is not required.
- (d) In the event that PROMOGO fails to fully perform its requirements and obligations under this Agreement, then to notify PROMOGO in writing that the loan shall not be forgiven and that PROMOGO shall be legally obligated to repay the loan to LEDC pursuant to terms then specified in writing to PROMOGO by LEDC, which terms will not be in conflict with any repayment/reimbursement requirements pursuant to Section 5 hereof.

Section 6. Recapture/Termination

- (a) In the event that PROMOGO begins operating its business, but subsequently discontinues operating its business in Lockhart for any reason except as a result of fire, explosion, or other casualty or accident, force majeure or other natural disaster, war or civil unrest, a taking under eminent domain, regulatory restrictions of any applicable governmental entity which makes conduct of the PROMOGO illegal or economically untenable, or other event beyond the reasonable control of PROMOGO: (the "Business Interruption Exceptions") for a period of more than one hundred eighty (180) days during the term of this Agreement, then in such event PROMOGO shall be required to repay to LEDC any and all monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following the expiration of such period. The burden shall be upon PROMOGO to prove to the satisfaction of the LEDC that the discontinuance of operating its business was a result of one of the Business Interruption Exceptions. In the event PROMOGO meets this burden and the LEDC is satisfied that the discontinuance of the operation of the software company was the result of events beyond the control of PROMOGO, the parties shall commemorate such satisfaction in a document signed and dated by the Parties. PROMOGO shall then have a period of one (1) year from the date operations of its business were discontinued in which to resume business operations.
- (b) In the event that following the occurrence of a Business Interruption Exception which may reasonably be cured within one year of the cessation of business operations, then should PROMOGO fail to resume business operations within one (1) year of the date of discontinuance of operations, PROMOGO shall be required to repay LEDC any monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following the expiration of the one year period.
- (c) In the event that PROMOGO fails to meet the requirements for creation of jobs described in Section 4(f) or 4(h), then PROMOGO shall be obligated to

reimburse LEDC at a rate of Five Thousand Dollars (\$5,000.00) for each job that PROMOGO has failed to either create or maintain over the term of this Agreement, payment to be made within thirty (30) days of written demand therefore from LEDC to PROMOGO.

- (d) In the event that PROMOGO allows ad valorem taxes owed to the City of Lockhart, Texas on the Property, or its business personal property or inventory to become delinquent and fails to timely and properly follow the legal procedures for their protest or contest, PROMOGO shall be required to repay LEDC any monies expended by the LEDC under Section 5 of this Agreement within thirty (30) days of written demand therefore following such event.

#### Section 7. Certification of Compliance by PROMOGO

On or before March 1 and again on or before June 1 of each year that this Agreement is in effect, PROMOGO shall certify in writing to the LEDC that it is in compliance with all provisions of this Agreement. Such certification shall include any and all documentation required by the LEDC establishing that PROMOGO has met the annual employment requirement for the previous year and that all taxes related to the Property have been paid in full as required by law. Certification provided on June 1 will be limited in scope to any FTE Jobs created between October 1 and December 31 of the preceding year, certified as of March 31. The LEDC, upon reasonable notice and at any reasonable time, shall have the right to review any and all records of related to the provisions of this Agreement, including but not limited to FTE positions created or retained, capital investments made, and use or distribution of and direct incentives received.

#### Section 8. Dispute Resolution, Applicable Law, Venue, and Attorneys Fees

(a) In the event of any controversy or claim arising out of or relating to this Agreement or the breach of this Agreement, the parties shall attempt in good faith to resolve the same by good faith mediation before a mediator agreed to by the parties. LEDC and PROMOGO expressly waive any statutory or other legal requirements that may exist for serving notices or engaging in alternative dispute resolution prior to doing so.

(b) In the event that the claim or controversy is not settled by mediation or any other alternative dispute resolution method agreed to by the parties, either party may file suit in a court of competent jurisdiction sitting in the State of Texas. Venue shall lie in Caldwell County, Texas. The prevailing party in any litigation arising out of this Agreement shall be entitled to recover its reasonable and necessary costs and attorney's fees from the non-prevailing party pursuant to applicable law.

#### Section 9. Entire Agreement

This Agreement, when executed, contains the entire agreement between the LEDC and PROMOGO with respect to the transactions contemplated herein. This Agreement may be amended, altered, or revoked only by written instrument signed by the LEDC and PROMOGO.

Section 10. Successors and Assigns

This Agreement may not be assigned to any third party by PROMOGO without the written consent of LEDC. In the event of such assignment or in the event of legal succession of PROMOGO interest in this Agreement by operation of law, this Agreement shall be binding on and inure to the benefit of such assign or successor.

Section 11. Notices

Any notice and/or statement required and permitted to be delivered shall be deemed delivered by depositing same in the United States mail, certified with return receipt requested, postage prepaid, addressed to the appropriate party at the following addresses or at such addresses provided by the parties in writing hereafter:

PROMOGO:

Silicon Vegas, LLC, d/b/a PROMOGO  
Attn: CEO  
51 Rainey Street, Suite 2101  
Austin, TX 78701

Lockhart Economic Development Corporation:

Lockhart Economic Development Corporation  
Attn: Executive Director  
308 W. San Antonio  
P.O. Box 239  
Lockhart, TX 78644

Section 11. Interpretation

Regardless of the actual drafter of this Agreement, this Agreement shall in the event of dispute over its meaning or application, be interpreted fairly and reasonably, and neither more strongly for or against either party.

Section 12. Severability

In the event that any provision of this Agreement is illegal, invalid, or unenforceable under present or future laws, then and in that event it is the intention of the parties hereto that the remainder of this Agreement shall not be affected thereby, and it is also the intention of the parties to this Agreement that in lieu of each clause or provision that is found to be illegal, invalid, or unenforceable, a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid, or unenforceable.

Section 13. Mutual Assistance

LEDC and PROMOGO agree to do all things reasonably necessary and appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out such terms and provisions.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

**THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION:**

\_\_\_\_\_  
, President

**ATTEST:**

\_\_\_\_\_  
, LEDC Secretary

**PROMOGO (Silicon Vegas, LLC, d/b/a PROMOGO):**

\_\_\_\_\_  
Jeff Limberg, Founder/CEO

RESOLUTION NO. R-2019-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION APPROVING A PERFORMANCE AGREEMENT FOR AN AUTHORIZED PROJECT PURSUANT TO CHAPTERS 501 AND 505, TEXAS LOCAL GOVERNMENT CODE, SUCH PROJECT BEING KNOWN AS "PROJECT PROMO."

WHEREAS, the Lockhart Economic Development Corporation ("LEDC") is a Type B corporation operating pursuant to Chapters 501 and 505, Texas Local Government Code; and

WHEREAS, Silicon Vegas, LLC, d/b/a Promogo, a limited liability corporation ("Promogo") has applied to LEDC for financial incentives for a project whereby Promogo will have a building in the City of Lockhart renovated to be used as multi-tenant business facility; and

WHEREAS, the project will create primary jobs in the City of Lockhart and qualifies as a project pursuant to Chapters 501 and 505, Texas Local Government Code; and

WHEREAS, the Board of Directors finds that the project will promote new or expanded business development in the City of Lockhart and the surrounding area; and

WHEREAS, the Board of Directors is of the opinion that approving a performance agreement for the project and providing financial incentives for its implementation is in the best interests of the LEDC and the City of Lockhart;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION, that:

1. The foregoing recitals are adopted and incorporated herein for all purposes.
2. The Performance Agreement by and between the LEDC and Promogo, attached hereto as Exhibit "A" and incorporated herein is hereby approved and authorized.
3. The Executive Director of the LEDC is directed to take such steps as are necessary to obtain approval of the City Council of Lockhart for the project and Performance Agreement, in the manner required by law, and to take such other steps, including the issuance of notice and the holding of a public hearing, that will authorize and implement the project and performance agreement and payment of financial incentives thereunder.

Approved and adopted on this, the 15<sup>th</sup> day of August, 2019.

Lockhart Economic Development Corporation



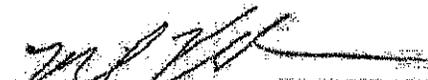
Alan Fielder, ~~President~~ Chairman

Attest:

Approved as to form:



Monte Akers, Board Attorney



Michael Kamerlander, Board Secretary

PUBLIC NOTICE

AGENDA

HISTORY

LOCKHART ECONOMIC DEVELOPMENT CORPORATION

THURSDAY, AUGUST 15, 2019

6:00 P.M.

CITY HALL

308 WEST SAN ANTONIO STREET – GLOSSERMAN ROOM

1. CALL TO ORDER

2. PUBLIC COMMENTS

3. DISCUSSION AND/OR ACTION

- 3.1 Discussion and/or action regarding minutes from the July 8, 2019 meeting.
- 3.2 Discussion and/or action regarding sales tax and financial statement.
- 3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President, to pursue a loan in the amount of \$500,000.
- 3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promogo in which the company agrees to occupy newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC providing up to a \$500,000 forgivable loan.
- 3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

4. EXECUTIVE SESSION

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Project Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

5. DISCUSSION ONLY

5.1 Activity Updates

6. ADJOURN

*If, during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the Lockhart Economic Development Corporation will convene in such executive or closed session, in accordance with the provisions of the Government Code, Title 5, Subchapter D to consider one or more matters pursuant to the following:*

*Section 551.071. Private consultation with its attorney to seek advice about pending or contemplated litigation; and/or settlement offer; (2) and/or a matter in which the duty of the attorney to the government body under the Texas Disciplinary Rules of Professional Conduct of the State of Texas clearly conflicts with this chapter.*

*Section 551.072. To deliberate the purchase, exchange, lease or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.073. To deliberate a negotiated contract for a prospective gift or donation to the state or the governmental body if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person.*

*Section 551.074. To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee.*

*Section 551.076. To deliberate the deployment, or specific occasions for implementation, of security personnel or devices.*

*Section 551.086. To deliberate vote or take final action on any competitive matters relating to public power utilities.*

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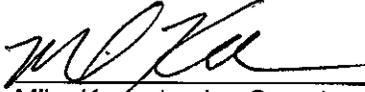
HISTORY

*Section 551.087. To deliberate or discuss regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect.*

*Section 551.088. To deliberate a test item or information related to a test item if the governmental body believes that the test item may be included in a test the governmental body administers to individuals who seek to obtain or renew a license or certificate that is necessary to engage in an activity.*

*After discussion of any matters in executive session, any final action or vote taken will be in public by the Lockhart Economic Development Corporation.*

I certify that the above notice of meeting was posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 12<sup>th</sup> day of August 2019 at 2:15 PM.



Mike Karnerlander, Secretary, LEDC

HISTORY

**LOCKHART ECONOMIC DEVELOPMENT CORPORATION**

**THURSDAY, AUGUST 15, 2019  
6:00 P.M.**

**CITY HALL  
308 WEST SAN ANTONIO STREET – GLOSSERMAN ROOM**

**Board Members Present:** Alan Fielder, Chairman; Frank Estrada, Vice-Chair; Morris Alexander; Sally Daniel; Dyral Thomas, Alfredo Munoz

**Board Members Absent:** Umesh Patel

**Staff Present:** Mike Kamerlander, Director of Economic Development, Steve Lewis, LEDC President, Pam Larision, Finance Director q

**1. CALL TO ORDER**

The meeting was called to order by Alan Fielder, Chairman at 6:00pm

**2. PUBLIC COMMENTS**

None

**3. DISCUSSION AND/OR ACTION**

3.1 Discussion and/or action regarding minutes from the July 8, 2019 meeting.

Motion to approve the minutes from the July 8, 2019 meeting.

Motion: Frank Estrada

Second: Alfredo Munoz

Vote: 6 of 6

3.2 Discussion and/or action regarding sales tax and financial statement.

Pam reviewed the various documents with the board including the sales tax reports, revenue and expenses and monies that are encumbered for companies that have active performance agreements with LEDC.

Motion to approve the sales tax and financial statement reports

Motion: Alfredo Munoz

Second: Dyral Thomas

Vote: 6 of 6

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3.3 Discussion and/or action regarding Resolution 2019-03 authorizing Steven Lewis, LEDC President to pursue a loan in the amount of \$500,000.

Jeff Lumberg, CEO of Promogo introduced Joe Sanchez and Taryn Harris. He stated that they have put together a great team with a variety of skills that have made their company a success.

Jeff gave an overview of the product that they have developed to streamline the process of booking vendors that provide samples of products at grocery stores. This system would collect data related to the number of patrons that sampled the products. Jeff stated his company are data experts that collect the data and package it for customers' marketing needs.

This platform will assist with making the whole process easier and ensuring it runs smoothly from booking the talent, making sure they are paid on time and packaging the data collected.

Motion to approve Resolution 2019-03 and the five-year option

Motion: Dyrall Thomas

Second: Alfredo Munoz

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

3.4 Discussion and/or action regarding Resolution 2019-04 authorizing Economic Development Performance Agreement with Promongo in which the company agrees to occupy a newly renovated or newly constructed space in the Central Commercial Business District of the City of Lockhart with at least \$2 million worth of renovations and to employ and maintain a minimum of 30 FTE employees with an average annual wage of \$40,000 for the five (5) year agreement period with LEDC provided up to \$500,000 forgivable loan.

Mike stated that in order for Promogo to receive the first \$300,000 they must sign a lease here in Lockhart. He stated should they not enter into a lease with the permanent location with a capital expenditure of at least \$2 million within the first two years, they would owe that \$300,000 plus any interest and fees back to LEDC. The last \$200,000 the requirement is that they are in the permanent building with a capital expenditure of at least \$2 million. They are also required to create 30 jobs. For every job they miss they are required to pay LEDC \$5,000.

Motion to approve Resolution 2019-04 as presented

Motion: Alfredo Munoz

Second: Dyrall Thomas

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed.

3.5 Discussion and/or action regarding Resolution 2019-05 authorizing the LEDC to use the funds to reimburse the LEDC's general fund for Promogo expenditures.

This is a reimbursement resolution. Should City Council approve this project, LECD will have the ability to give Promogo the \$300,000 as it takes 60 days to get approved for the loan. This resolution allows LEDC to be reimbursed for that prepaid expense.

Motion to approve Resolution 2019-05 as presented

Motion: Alfredo Munoz

Second: Sally Daniel

Vote: 4 of 6 with Frank Estrada and Morris Alexander opposed

4. **EXECUTIVE SESSION**

4.1 The Lockhart EDC Board of Directors will meet in a closed/executive session pursuant to the Texas Government Code, Chapter 551, to discuss the following items:

- (1) Section 551.087 Deliberation regarding economic development negotiations – Projects Perk.
- (2) Section 551.072 Deliberation about the purchase, exchange, lease, or value of real property – Project Perk.

Into Executive Session at 6:15 p.m.

Out of Executive Session at 6:49 p.m.

Motion to authorize Steve Lewis, City Manger to make an offer as discussed in executive session.

Motion: Dyral Thomas

Seconded: Alfredo Munoz

Vote: 5 of 6 with Frank Estrada opposed

5. **DISCUSSION ONLY**

5.1 Activity Updates

Frank Estrada stated he would be attending a continued education with TML. He asked that the board pay for half of the cost.

Alan stated that this will be placed on the agenda for next month.

6. ADJOURN

Motion to adjourn

Motion: Dyrat Thomas

Second: Morris Alexander

Vote: 6 of 6

LOCKHART ECONOMIC DEVELOPMENT CORPORATION (LEDC)

MINUTES

Thursday, August 15, 2019 - 6:00 P.M.

Glosserman Room – Downstairs – City Hall

308 WEST SAN ANTONIO STREET

Page 4 of 4

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**LIST OF BOARD/COMMISSION VACANCIES**

Updated: July 9, 2019

<b>Board Name</b>	<b>Reappointments/Vacancies</b>	<b>Council member</b>
Electric Board	Thomas Stephens verbally resigned 7-9-2019	Councilmember McGregor
Planning & Zoning Commission	Marcos Villalobos resigned 4-29-2019	Councilmember Mendoza

**APPLICATIONS RECEIVED TO BE ON A BOARD/COMMISSION**

<b>APPLICANT</b>	<b>BOARD REQUESTED</b>	<b>DATE RECEIVED</b>	<b>RESIDENCE DISTRICT</b>
Suzy Falgout	Construction Board Historic Preservation Commission Parks & Recreation Any other Board where needed	08/20/2018	Currently resides outside city limits. Is renovating future residence on Commerce St.

tb

<p>The following are NOTES regarding appointments to several boards that have certain criteria that should be met, such as qualifications or number to serve on the board. Boards that are not listed below have a seven member board and are open to any citizen without qualifications.</p>	
<p><b>NOTES: AIRPORT ADVISORY BOARD</b></p>	<p><b>Sec. 4-26. Membership; appointments.</b> The Lockhart Airport Advisory Board shall be composed of seven members to be appointed in accordance with section 2-210. At least five members must currently be or have been flight rated, and two members may be appointed as at-large members. Members shall serve three-year terms, such terms coinciding with the council position making the appointment.</p> <p><b>Sec. 4-28. Eligibility for board membership.</b> No person having a financial interest in any commercial carrier by air, or in any concession, right or privilege to conduct any business or render any service for compensation upon the premises of the Lockhart Municipal Airport shall be eligible for membership on the Lockhart Airport Advisory Board.</p> <p><b>Sec. 4-32. Limitations of authority.</b> The Lockhart Municipal Airport Advisory Board shall not have authority to incur or create any debt in connection with airport operations; nor shall the board be empowered to enter into any contract, leases, or other legal obligations binding upon the City of Lockhart; nor shall the board have authority to hire airport personnel or direct airport personnel in the execution of their duties.</p>
<p><b>NOTES: CONSTRUCTION BOARD APPOINTMENTS</b></p>	<p><i>Section B101.4, Board Decision,</i> is amended to read as follows: The construction board of adjustments and appeals shall have the power, as further defined in Appendix B, to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of this Code [of Ordinances].</p> <p><i>Section B101.2, Membership of Board,</i> is amended to read as follows: Each District Council member and the Mayor shall appoint one member to the Construction Board of Appeals making it a five (5) member board and each Councilmember at Large shall appoint an alternate. The term of office of the board members shall be three (3) years, such terms coinciding with the council position making the appointment. The two (2) alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. Board members shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart.</p>
<p><b>NOTES: ELECTRIC BOARD APPOINTMENTS</b></p>	<p><b>Sec. 12-132. Members.</b> (a) Appointments to the examining and supervisory board of electricians and appeals shall conform to section 2-210 except that the board shall consist of five persons with one being appointed by each district council member and one by the mayor. Each member shall serve three-year terms with such terms to coincide with the council position making the appointment. (b) Each board member shall reside within the county and such board shall include one member who shall be a building contractor; one layman; two members shall be master electricians who are currently licensed by the city; and one member shall be either a building contractor or master electrician licensed by the city. There shall be two ex-officio members, one who shall be the city electrical inspector, and one shall be the fire marshal.</p> <p><b>Sec. 12-133. Officers and quorum.</b> The members of the examining and supervising board of electricians and appeals shall select a chairman and secretary. A quorum shall consist of three members.</p>
<p><b>NOTES: HISTORIC PRESERVATION COMMISSION</b></p>	<p><b>Sec. 28-3. Historical preservation commission.</b> (b) The commission shall consist of seven members, appointed by the city council in accordance with section 2-210, who shall whenever possible meet one or more of the following qualities: (1) A registered architect, planner or representative of a design profession, (2) A registered professional engineer in the State of Texas, (3) A member of a nonprofit historical organization of Caldwell County, (4) A local licensed real estate broker or member of the financial community, (5) An owner of an historic landmark residential building, (6) An owner or tenant of a business property that is an historic landmark or in an historic district, (7) A member of the Caldwell County Historical Commission.</p>
<p><b>NOTES: PARKS ADVISORY BOARD</b></p>	<p><b>Sec. 40-133. Members.</b> (a) The board shall consist of seven members appointed in accordance with section 2-210 to serve three years terms, such terms to coincide with the council position making the appointment and two alternates shall also be appointed by the mayor and mayor pro-tem, one each. The two alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. (Ordinance 06-08, adopted February 7, 2006)</p>

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<p><b>NOTES:</b> Lockhart Economic Dev Corp</p>	<p><b>LEDC Bylaws – Article II. Board of Directors</b>  <b>Section 1. Powers, Number and Term of Office</b>                  a. The property and affairs of the Corporation shall be managed and controlled by a Board of Directors (The "Board") under the guidance and direction of the Lockhart City Council and, subject to the restrictions imposed by law, by the Articles of Incorporation, and by these Bylaws the Board shall exercise all of the powers of the Corporation.                  b. The Board shall consist of seven directors, each of whom shall be appointed by the City Council of the City. Each director shall occupy a place (individually the "Place" and collectively, the "Places") as designated herein. Places 1-4 are designated for Councilmember Directors from Councilmember Districts 1 through 4 respectively. In the event that a particular Councilmember from said District is unable or unwilling to serve in the capacity as a Director, that Councilmember shall have the right to nominate a non-councilmember for approval and appointment. Places 5-7 are designated for Citizen Member Directors.                  c. The directors constituting the first Board shall be those directors named in the Articles of Incorporation. Successor directors shall have the qualifications, shall be of the classes of directors, and shall be appointed to the terms set forth in the Articles of Incorporation.                  d. Any director may be removed from office by the City Council at will.</p>
<p><b>NOTES:</b> ORDINANCE RE: ALL BOARD, COMMISSION APPOINTMENTS</p>	<p><b>Sec. 2-209. - Rules for appointment.</b>                  The city council hereby sets the following rules:                  (1) Except as may be established by existing city ordinances/resolutions the process for selecting members shall be open to all Lockhart citizens, who must apply for appointment, to include those applying for reappointment. Reappointment shall not be deemed automatic.                  (2) Council shall seek to appoint the most qualified or best persons available, while also respecting the need for diverse community opinions.                  (3) No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.                  (4) No appointed body shall deviate from its charge, deliberate items not on its agendas, or speak for the council or City of Lockhart without council authorization.                  (5) Subject to other qualifications as specifically required for membership on the below boards and commissions, the city council shall have the right (but not the duty) to appoint up to two members who are not Lockhart citizens but who are residents of Caldwell County to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the construction board of appeals.</p> <p><b>Section 2-210. Method of selection; number of members; terms.</b>                  (a) The mayor and city councilmembers shall nominate individuals to serve on boards and commissions. Each nomination shall then be confirmed by a simple majority of the entire city council.                  (b) Except as provided herein, there shall be seven members appointed to each board or commission corresponding with the seven members or places of the city council. Each city councilmember, except as provided herein, shall nominate a qualified person to serve in a place on an appointed body corresponding to their place on the council. At-large councilmembers shall be designated as places 5 and 6, and the mayor's position as place 7, for the purpose of this section. Nominations shall be made to fill vacant positions and/or positions whose terms have expired within 90 days of the event, such as a resignation or an election. Should any city councilmember fail to name an appointee to one of his/her corresponding places on any body within the above described 90 days, another councilmember shall then have the privilege to nominate a person to fill that same position, as described in subsection (a). However, once that position becomes vacant again for any reason, the appointment shall revert to the place corresponding with the original city council seat/place number for nominations.                  (c) Beginning with the election in May, 1998, the council shall nominate and confirm four members to serve in places 1, 2, 5, 6 on each board and commission in accordance with subsections (a) and (b) above, and with the standards set in Ordinance Number 97-09, Governance Policies. With the election of May, 1999, the remaining three places shall be filled following the same procedure as above.                  (d) Terms of service on appointed bodies shall be the same three-year terms as the councilmember who nominates a person to serve. However, a person may be appointed to complete the unexpired term of a vacant position, due to a resignation, for example.                  (e) When a person has completed a term, or terms, of service and will be vacating a place, that person may continue to serve until a replacement is nominated and confirmed by the city council.                  (f) At the discretion of the majority of the city council, one Caldwell County resident who is also an owner of real property within any local historic district may be appointed as a full member to the historical preservation commission.                  (g) Exceptions to the above regulations shall be all volunteer/special purpose/ad hoc committees appointed from time to time by the city council and the zoning board of adjustments, whose members shall serve two-year terms in accordance with V.T.C.A., Local Government Code § 211.008. All other provisions of this section, and ordinance number 97-09 which do not conflict with the chapters establishing these bodies shall be applicable.</p> <p><b>Sec. 2-212. Removal and resignation of members.</b>                  (a) All board, commission and committee members serve at the pleasure of the city council and may be removed from office with or without cause at the discretion of the city council.                  (b) Board, commission and committee members may resign from office at any time by filing a written resignation, dated and signed by the member, with the City Secretary. Such resignation shall take effect upon receipt by the City Secretary without further action by the city council. If the city council appoints a new member to replace the resigned member, the new member shall be appointed to serve out the remainder of the resigned member's term.</p>

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<p><b>NOTES: PARKS MASTER PLAN STEERING COMMITTEE (Est. 09/05/2017)</b></p>	<p>Committee to have 8-10 members as follows:</p> <ul style="list-style-type: none"> <li>• Councilmembers</li> <li>• City staff</li> <li>• Two Parks Advisory Board members</li> <li>• Business owners</li> <li>• Civic Organization members</li> </ul> <p>Committee will assist Burditt Consultants to perform tasks outlined in the Parks Master Plan.</p>
<p><b>NOTES: AD-HOC COMMITTEE – ST. PAUL UNITED CHURCH OF CHRIST PROPERTY (Est. 09/05/2017)</b></p>	<p>Committee will consist of at least one appointment from Mayor and each Councilmember.</p> <p>The Committee will make recommendations to the Council about the use of the property at 728 S. Main.</p>
<p><b>WAYFINDING SIGNAGE AND COMMUNITY BRANDING AD-HOC (Est. 01/02/2018)</b></p>	<p>Committee will assist City Planner/Development Services with wayfinding signage and community branding tasks.</p> <p>Committee will consist of up to five members appointed by the Council.</p> <p>NOTE: First Branding and Wayfinding Committee disbanded/dissolved on December 18, 2018.</p> <p>UPDATE: Second Branding and Wayfinding Committee appointed on March 5, 2019.</p>

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**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

<b>Councilmember</b>	<b>Board/Commission</b>	<b>Appointee</b>	<b>Date Appointed</b>
Mayor – Lew White	Airport Board	John Hinnekamp	12/19/17
	Board of Adjustment	Mike Annas	12/19/17
	Construction Board	Raymond DeLeon	06/04/19
	Ec Dev. Revolving Loan	Barbara Gilmer	12/19/17
	Ec Dev. Corp. ½ Cent Sales Tax	Alan Fielder, Vice-Chair	12/19/17
	Electric Board	Joe Colley, Chair	12/19/17
	Historical Preservation	John Lairsen	12/19/17
	Library Board	Stephanie Riggins	12/19/17
	Parks and Recreation	Albert Villalpando, Chair	12/19/17
	Planning & Zoning	Paul Rodriguez	12/19/17
	ETJ Rep-Impact Fee Adv Comm	Larry Metzler	12/19/17
	District 1 – Juan Mendoza	Airport Board	Larry Burrier
Board of Adjustment		Lori Rangel	03/07/17
Construction Board		Mike Votee	03/07/17
Eco Dev. Revolving Loan		Ryan Lozano	03/07/17
Eco Dev. Corp, ½ Cent Sales Tax		Dyral Thomas	03/07/17
Electric Board		Frank Gomillion	07/02/19
Historical Preservation		Victor Corpus	03/07/17
Library Board		Shirley Williams	03/07/17
Parks and Recreation		Linda Thompson-Bennett	03/07/17
Planning & Zoning		VACANT-(Villalobos resigned 4-29-19)	
District 2– John Castillo	Airport Board	Reed Coats	03/07/17
	Board of Adjustment	Juan Juarez	03/07/17
	Construction Board	Oscar Torres	05/15/18
	EcoDev. Revolving Loan	Rudy Ruiz	03/07/17
	Eco Dev. Corp. ½ Cent Sales Tax	Umesh Patel	08/09/18
	Electric Board	James Briceno	03/07/17
	Historical Preservation	Ron Faulstich	03/07/17
	Library Board	Quartermetra Hughes	06/04/19
	Parks and Recreation	James Torres	03/07/17
		Rob Ortiz, Alternate	03/07/17
	Planning & Zoning	Manuel Oliva	03/07/17

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**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

District 3 – Kara McGregor	Airport Board Board of Adjustment  Construction Board Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Ray Chandler Anne Clark, Vice-Chair Kirk Smith (Alternate) Jerry West, Vice-Chair Lew White, Chair Sally Daniel VACANT-T Stephens resigned 7-9-19 Ronda Reagan Jean Clark Fox, Chair Warren Burnett Philip McBride, Chair	02/06/18 12/19/17 12/05/17 01/02/18 12/19/17 06/18/19  12/19/17 12/19/17 12/05/17 12/19/17
District 4 - Jeffry Michelson	Airport Board Board of Adjustment Construction Board Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Electric Board Historical Preservation Library Board Parks and Recreation Planning & Zoning	Mark Brown, Vice-Chair Wayne Reeder Rick Winnett Frank Coggins Morris Alexander Ian Stowe Kathy McCormick Donaly Brice Russell Wheeler Rick Arnic	03/07/17 12/05/17 12/05/17 12/05/17 12/05/17 03/06/18 12/05/17 12/05/17 12/05/17 01/15/19
Mayor Pro-Tem (At-Large) – Angie Gonzales-Sanchez	Airport Board Board of Adjustment Construction Board Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning & Zoning	Andrew Reyes Laura Cline, Chair Paul Martinez Irene Yanez Alfredo Munoz Juan Alvarez, Jr. Jodi King Chris Schexnayder Philip Ruiz, Vice-Chair	03/07/17 03/07/17 03/07/17 03/07/17 06/06/17 03/07/17 03/07/17 03/07/17 03/07/17

**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

<p>At-Large - Brad Westmoreland</p>	<p>Airport Board Board of Adjustment Construction Board (Alternate) Eco Dev. Revolving Loan Eco Dev. Corp. ½ Cent Sales Tax Historical Preservation Library Board Parks and Recreation Planning &amp; Zoning</p>	<p>Jayson "Tex" Cordova Severo Castillo Gary Shafer Edward Strayer Frank Estrada Richard Thomson Rebecca Lockhart Dennis Placke Christina Black</p>	<p>03/07/17 03/07/17 03/07/17 03/07/17 03/07/17 11/21/17 03/07/17 03/07/17 03/07/17</p>
	<p>Charter Review Commission (Five member commission) Term - 24 months after appointment</p>	<p>Ray Sanders Bill Hernandez Roland Velvin Elizabeth Raxter Alan Fielder</p>	<p>03/01/16 – Michelson 03/01/16 – Michelson 03/01/16 – Michelson 03/01/16 – Hilburn 03/15/16 – Hilburn</p>
	<p>Sign Review Committee (no longer meeting)</p>	<p>Gabe Medina Neto Madrigal Terry Black Kenneth Sneed Johnny Barron, Jr. Tim Clark</p>	<p>03/17/15 - Mayor Pro-Tem Sanchez 04/21/15 – Councilmember Mendoza 12/19/17– Councilmember McGregor 03/17/15 – Mayor White 03/17/15 – Councilmember Castillo 03/17/15– Councilmember Michelson</p>
	<p>Parks Master Plan Steering Committee (8-10 members)</p>	<p>Albert Villalapando Dennis Placke Nita McBride Rebecca Pulliam Bernie Rangel Derrick David Bryant Beverly Anderson Carl Ohlendorf Beverly Hill</p>	<p>09/05/17 – Parks Bd appointee 09/05/17 – Parks Bd appointee 12/05/17– McGregor 09/19/17– Michelson 09/19/17 – Castillo 09/19/17 - Sanchez 09/19/17 - Mendoza 09/19/17 – Westmoreland 09/19/17 – Mayor White</p>

**COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS**

	<p>Church Property Ad-hoc Committee (7 members)</p>	<p>Amelia Smith Jackie Westmoreland Todd Blomerth Andy Govea Terry Black Jane Brown Raymond DeLeon Dyral Thomas</p>	<p>09/05/17 – Westmoreland 09/05/17 – Westmoreland 09/05/17 – Mayor White 09/1917 – Sanchez 12/19/17 – McGregor 09/19/17 – Michelson 09/20/17 – Castillo 09/22/17 – Mendoza</p>
	<p>Wayfinding Signage and Community Branding Ad-Hoc Committee (5 members)</p> <p><b>THIS COMMITTEE WAS - RE-ESTABLISHED ON MARCH 5, 2019</b></p>	<p>Roy Watson Ronda Reagan Sally Daniel Rob Ortiz Bobby Herzog</p>	<p>03/05/19 03/05/19 03/05/19 03/05/19 03/05/19 Appointed by Mayor with consensus of Council</p>

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# City of Lockhart

2019-2020 Strategic Priorities

Prepared by:



# City of Lockhart

## Summary

On February 1 & 2, 2019 the City of Lockhart hosted two half-day planning sessions to develop goals and strategies for the next 2 years. Some of these goal areas were internal, whereas others were external. The following is the process used to reach the conclusions for the plan.

The process began with a preliminary phone meeting between the facilitator and Steve Lewis, City Manager, to go over key issues facing the City, understand the programs and projects underway through the community, and to prepare the agenda and format for the planning retreat.

The first portion of the strategic planning process began on Friday, February 1, 2019 with the City Manager and the City of Lockhart Management Team. The facilitator began by asking the Management Team participants what their expectations for discussion for the day were. She then took the team through a SWOT (Strengths, Weaknesses, Opportunities, & Threats) Analysis. The next group exercise was a brainstorm called Start/Stop/Continue that lists the things that need to begin happening, stop happening, and are mission-critical and must continue regardless of circumstances.

The facilitator then guided the Management Team through 2019-2020 goal and strategy development to recommend to the City Council the following day.

On Saturday, February 2, 2019, the City Council and City Manager convened to review, revise, and establish priorities related to the recommendations generated the day before by the Management Team. Prior to the review, the facilitator asked the City Council to list their expectations for discussion for the day.

The following are the results.

## Management Team Expectations for the Day's Discussion Topics

- That City Council will take what we say seriously
- Consider all staff in decisions
- Hear each other's goals
- Live by the plans we create / develop
- That Council develop goals / priorities based on sound data / research
- Focus
- Consider quality of life as over-arching goal
- Discuss business attraction vs. recruitment
- Being prepared for growth
- Facilities improvements
- Facilities maintenance
- How do we give back to those who need extra help?
- Smart land use practices
- Discuss Tourists/Tourism – what is there for kids to do while in town visiting family?

## City Council Expectations for the Day's Discussion Topics

- Capitalize on Tourism
- Discuss Wi-Fi
- Capitalize on BBQ Capital of Texas
- Cleaning up of unsightly properties (residential)
- Work in unity today
- Serve our community
- Focus
- To discuss Economic Development targeting technology jobs
- Industrial Park is full – now what?
- Cleaning up of City properties / facilities
- Actually implement our goals
- Discuss the direction of Economic Development
- Think bigger / think change / embrace change
- Develop our identity
- Attractive gateway signage
- Employee wages
- Technology infrastructure

## SWOT Analysis

The facilitator guided the participants through an analysis of their current Strengths, the current Weaknesses or Challenges they are facing, Opportunities that may come their way in the future, and Threats that are possible to occur in the future. Note that there are no right or wrong answers here and no implication of likelihood. This is simply a brainstorm of the opinions of the participants to get them thinking about goals in the next portion. The Management Team listed their responses first, then the City Council added additional items the following day.

### Strengths

- Historic district
- County seat
- BBQ Capital of Texas
- Location to highways
- Tourism
- Small town (family-oriented)
- Growing – room for more
- Desire to manage growth
- Good development process
- Proximity to Austin
- Comparable housing prices
- Existing capacity of utilities
- Easy mobility
- Economic Development Sales tax
- Clark Library
- Baker Theatre
- Ease of developing land (flat)
- Employees who experience long tenure
- Volunteers
- CTR (Chisholm Trail Roundup) & other local events
- Community support
- Recognizable court house
- Movies / film production (TFC)
- Long-term water planning
- High-level financial planning
- Competitive building / development fees
- “Real” city with well-managed growth
- New energy
- Proximity to large cities / airport
- New residents – new ideas – changing priorities
- Diversity
- First Friday Downtown Event

## Weaknesses / Challenges

- Incentives – Economic Development lack of use
- Technology – aging equipment and software
- Infrastructure
- Facilities – condition / maintenance
- Competitive salaries within region
- Training opportunities
  - Professional development
  - Budget
- Closed minds – have always done it this way
- Tourism
- Managing growth
- Need for succession planning
- Public perception influencing job applicant pool
- Weak tax base
- Limited in-town post-secondary educational opportunities
- Lack of retail
- Lack of entertainment (kids)
- Limited grocery options
- City-owned property
- College
- Venue / convention center
- Lack of hotels
- Entryways to community
- Not using TIF financing
- Emerging downtown organization
- How to effectively support increasing, ever-growing number of festivals
  - Create packages for vendors and festivals
- No city recreation programs
- In-kind services
- Very limited public transportation services
- Outdated web information
- Poor communication with citizens

## Opportunities

- Expand airport (hangars)
  - Install AWOS (Automated Weather Observing System)
- Improve working conditions of employees
- Proximity to Austin
- Implement first phase of parks master plan
- SH-130 has great properties but not city-owned property
- Undeveloped lots on Square and north / northwest of Square
- Long-tenured elected leadership
- Increase community involvement
- To develop positive relationship with County, School, and organizations
- Quality economic growth
- Franchise recreational or entertainment venues (theaters, bowling, outlets, concerts, water parks)
- Community college campus
- Increased communication needed with ISD for school planning, infrastructure, etc.
- Expand walking / biking opportunities for exercise and community involvement
- Lockhart Springs (natural spring)
- Lockhart State Park transfer to City
- Potential residential development around golf course
- Development within historic district
- School district growth
- Housing growth
- Business growth
- St. Paul Church and other redevelopment opportunities
- Hospital / medical facilities
- Public bathrooms downtown
- Develop Industrial Park
- More involvement with San Marcos Greater Partnership
- Partnership with Austin Chamber
- EDC \$ will go further today than in 2 years (spec buildings, parking)

## Threats

- Economic recession
- Voter turnout
- Government shutdown
- Citizen input
- Natural disaster
- Leadership in government
- Lack of economic development direction
- Competition from other cities
- Lack of resources
- Building maintenance
- Technology – cyber security
- Surging population
- Infrastructure improvement
- Maintaining reputation
- Planning without follow through
- Lack of educated workforce – skilled labor
- Crime
- Lack of workforce – people
- Retention and hiring
- Youth retention
- School quality
- Lack of industry
- Lack of racial unity
- Micro-managing
- Other utilities providers
- Homeless services – transportation
- Types of future growth

## Start/Stop/Continue

The facilitator guided the Management Team through an exercise that challenged them to brainstorm things that the City really needed to begin doing, what they should stop doing that could be a waste of resources, and what must they continue doing, regardless of circumstances. Below are their responses. Note that there are no right or wrong items; these are merely individuals' opinions about the things that should and shouldn't change in Lockhart. Just because one person has a certain opinion on a topic, that does not imply anyone else shared that opinion.

### Start

- Space allocation study
- Renovate City buildings – construct
- Downtown bathrooms
- Improve salaries – salary survey
- Staff development program / policies / procedures
- Consistency in purchasing
  - Revamp purchasing policy
- Replacing capital equipment / vehicles – vehicle fund
- Mandatory single stream recycling
- IT department, in-house City Engineer
- New technology in terms of equipment, network, server, software
- Re-assess who is in charge of downtown redevelopment
  - Name which entity (or entities) funds downtown redevelopment initiatives
  - Name which entity (or entities) manages downtown redevelopment initiatives
- 2020 Comprehensive Master Plan Update that includes a future land use plan and map

## Stop

- In-house utility billing (consider outsourcing)
- Outsourcing IT (consider bringing in-house)
- Repetitive useless paperwork (paperwork/policies must be updated and streamlined)
- Increasing overtime in fire and police (hire more to fix this issue)
- Using outdated equipment
- Hand -picking collections of recycled goods (business pick up)
- Laying asphalt driveway approaches for “free”
- Demolition of condemned houses – stop doing in-house (needs to be outsourced)

## Continue

- Meeting with County, City, School, Chamber, EDC
- Implementing 2020 Plan and Updates
- Attracting businesses – growth
- Providing superior service
- Redeveloping Downtown
- Implement Parks Master Plan
- Being a great place to work
- Public investments along SH-130
- Supporting festivals / movie projects
- Financial planning
- Embracing tourism

**Goal 1: Economic Development / Planning**

<b>Strategies</b>
1. Partner with LISD and local youth organizations to encourage careers in local emergency services (Fire and Police)
2. Reassess who is in charge of managing and funding downtown development and tourism
3. Attract a post-secondary education campus / facility
4. Complete updating our development ordinances
5. Consider development tools to facilitate attraction / recruitment to SH 130 corridor
6. Bring utilities, assist assembling parcels, rezoning tracts along SH 130
a) Shovel ready
b) Pursue prospects
7. Start investing in more property for growth
8. Explore next industrial park
9. HOT (Hotel Occupancy Tax) Funds – revamp structure
10. Economic Development Strategic Plan
11. Robust LEDC website

***Goal #1 KPIs / Metrics:***

- Did we partner with LISD & other youth organizations to encourage emergency services careers?
- Did we reassess downtown development and tourism initiatives and who leads each?
- Did we initiate efforts to attract a post-secondary educational institution or facility to Lockhart?
- Did we completely update our development ordinances?
- Did we brainstorm development tools for SH-130 development?
- Did we bring utilities and assemble parcels along SH-130?
- Did we develop shovel-ready development sites?
- Did we market those sites to prospective investors?
- Did we develop plans for our next industrial park?
- Did we revamp the way HOT funds are structured?
- Did we develop and implement an Economic Development Strategic Plan?
- Did the Lockhart EDC revamp their website to better attract investment?

## Goal 2: Quality of Life / Quality of Facilities

Strategies
1. Invest money to improve the appearance of our town (streets, parks, entry signs)
2. Conduct a Space Study of City Buildings and facilities including City Hall
3. Improve the image of City facilities as needed
4. Update, renovate, and construct City facilities as needed
5. Implement the Parks Master Plan, improving the quality of life for community
6. Conduct a citywide quality of life citizen survey

### Goal #2 KPIs / Metrics:

\$ amount invested in streets in 2019 and 2020? \$ \_\_\_\_\_

\$ amount invested in parks in 2019 and 2020? \$ \_\_\_\_\_

\$ amount invested in gateway entry signs in 2019 and 2020? \$ \_\_\_\_\_

# of City facilities we improved the appearance of? \_\_\_\_\_

- Which facilities did we improve the image of?
- Did we implement elements of the Parks Master Plan?
- Did we secure quotes on a Space Study of City buildings including City Hall?
- How many City-owned buildings did we renovate or retrofit?
- Did we conduct a citywide quality of life citizen survey?
- Did we address levels of service based on the citizen responses we received?
- Did we address levels of satisfaction based on the citizen responses we received?
- Did we address areas for improvement based on the citizen responses we received?

### Goal 3: Staffing / Personnel

Strategies
1. Consider hiring additional personnel (engineer, IT, etc.)
2. Conduct a staffing study that includes evaluating efficiencies and compensations
3. Right size staffing levels city-wide based on study results
3. Consider starting salaries that compete with surrounding communities
4. Be consistent with staff development / policies / purchasing procedures
5. Implement a staff development program (be consistent)
6. Start developing / preparing current staff to take on leadership roles within the organization in the future
7. Bi-lingual staff
8. Customer service / experience excellence training

#### Goal #3 KPIs / Metrics:

# of new positions in 2019 and 2020? \_\_\_\_\_

- Did we perform a staffing efficiency/compensation study?
- Did we right-size our salaries based on that study by the end of 2020?
- Did we develop new consistent policies and procedures regarding professional development of staff?
- Did we develop new consistent policies and procedures regarding purchasing/procurement?
- Did we create and implement a new staff development program to ensure everyone has training opportunities?
- Did we begin grooming current staff for future leadership roles?
- How many staff do we have on a leadership track by the end of 2020?

# of new employees added in 2019 and 2020 who are bilingual? \_\_\_\_\_

- Did we deliver Customer Experience Excellence training to every City employee?

#### Goal 4: Procedures / IT / Software and Hardware

Strategies
1. Conduct a Technology Assessment that yields specific recommendations
2. Improve technology / create specific strategies to have better IT support based on Assessment results
3. Upgrade all technology-related issues as recommended – desktops, servers, software, equipment, and peripherals
4. Start replacing old equipment
5. Provide superior service by keeping technology up to date and being able to communicate with the public (keep an open line of communication through website)
6. Carefully weigh all the pros and cons of considering bringing IT in-house
7. Upgrade the operating system
8. Streamline technology hardware, software processes within the City, based on Assessment recommendations
9. Upgrade all equipment and software and be trained on specific software to be used to maximum potential
10. Explore implementing downtown Wi-Fi

**Goal #4 KPIs / Metrics:**

- Did we conduct a Technology Assessment?
- Did we secure top quality technology support across all departments by the end of 2020?
- Did we upgrade our desktop computers?  
% of employees who received upgraded computers by the end of 2020 (from 2018 numbers)? \_\_\_\_\_
- Did we upgrade our servers?
- Did we upgrade our computer software, subscriptions, and licenses?
- Did we upgrade our peripherals?
- Did we upgrade our other technology equipment?
- Did we establish an IT policy for updates and replacements that will keep us up-to-date from now through the future?
- Did we carefully weigh all the pros and cons of keeping IT outsourced vs. bringing it in-house?
- Did we upgrade our City operating system?
- Did we streamline our City technology processes?
- Did we secure training for staff to use all new equipment properly and efficiently?
- Did we investigate implementing WiFi throughout Downtown Lockhart?

## Goal 5: Public Safety

Strategies
1. Provide quality public safety to all citizens of Lockhart
a) Develop a specific Retention Strategy first
b) Develop a specific Hiring Strategy
c) Long-term public safety facility planning
d) Develop an equipment replacement schedule
e) Ensure use of best practices / standards (research best practices, then implement)
f) Evaluate Accreditation opportunities

### **Goal #5 KPIs / Metrics:**

# of new law enforcement officers hired in 2019?

# of new law enforcement officers hired in 2020?

% law enforcement officers retained?

# of new firefighters hired in 2019?

# of new firefighters hired in 2020?

% firefighters retained?

Did we develop a long-term public safety facilities plan?

Did we develop a public safety equipment replacement schedule?

Did we implement that new replacement schedule?

Did we research and record best practices across the country regarding public safety policy?

Did we make any modifications to our public safety policies based on that research?

Did we explore and evaluate Accreditation opportunities?

## Conclusion

At the end of the planning retreat, the facilitator reminded all the participants that these goals would only be achieved if they held true to their commitments today to implement these specific strategies and tactics.

She reminded them that they are one team working toward one vision. The participants agreed to use this document regularly throughout 2019 and 2020 to track progress and measure accomplishments.

**CITY COUNCIL FY 18-19 GOALS (FINAL COMBINED)**

**PRIORITY ORDER**

<b>COUNCILMEMBER</b>	<b>PRIORITY</b>	<b>FY 18-19 GOALS</b>
CASTILLO	1	Infrastructure Improvements: streets
GONZALES-SANCHEZ	1	Hire A City Manager
MCGREGOR	1	Economic development, creating and retaining jobs, grocery campaign.
MENDOZA	1	Pay Raise City Employees.
MICHELSON	1	Public relations position/ get the word out about Lockhart (promoting)
WESTMORELAND	1	Infrastructure Improvements: streets
WHITE	1	Economic development, creating and retaining jobs, grocery campaign.
CASTILLO	2	Economic development, creating and retaining jobs, grocery campaign.
GONZALES-SANCHEZ	2	All Department Heads to Budget Salary Increases for all City Employees.
MCGREGOR	2	Work with LISD to establish a community recreation center at the Adams Gym, per under Parks
MENDOZA	2	Economic development, creating and retaining jobs, grocery campaign.
MICHELSON	2	Signage in Lockhart (highway, downtown, and toll) / Wayfinding, branding,...)
WESTMORELAND	2	Signage in Lockhart (highway, downtown, and toll) / Wayfinding, branding,...)
WHITE	2	Public relations position
CASTILLO	3	Continued police community committee involvement, neighborhood watch, gang awareness
GONZALES-SANCHEZ	3	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods
MCGREGOR	3	Prepare Fire Station #3 (so we can have existing station remodeled)
MENDOZA	3	Continued police community committee involvement, neighborhood watch, gang awareness
MICHELSON	3	Prepare Fire Station #3 (so we can have existing station remodeled)
WESTMORELAND	3	More enforcement of codes directed at unsightly properties
WHITE	3	Wayfinding, branding, develop new entry sign and city markers
CASTILLO	4	City Facilities: Maintenance and repairs Economic Development: Recruit more businesses especially retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and specialty shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city.
GONZALES-SANCHEZ	4	Public relations position work with social media/ get the word out about Lockhart
MCGREGOR	4	Public relations position work with social media/ get the word out about Lockhart
MENDOZA	4	City Facilities: Maintenance and repairs

**CITY COUNCIL FY 18-19 GOALS (FINAL COMBINED)**

**PRIORITY ORDER**

<b>COUNCILMEMBER</b>	<b>PRIORITY</b>	<b>FY 18-19 GOALS</b>
MICHELSON	4	Refurbish City Hall inside (making it more inviting)
WESTMORELAND	4	Move forward with St Paul property project
WHITE	4	Park improvements- consider medium to long range plan for Town Branch development
CASTILLO	5	Affordable housing Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is a lot of training that is free
GONZALES-SANCHEZ	5	but a lot additional money for registration fees and course material.
MCGREGOR	5	Free public wifi on the square
MENDOZA	5	Parks improvements
MICHELSON	5	Continued police community committee involvement, neighborhood watch, gang awareness
WESTMORELAND	5	Angled parking downtown: N Main and N Commerce Sts(change during downtown drainage project)
WHITE	5	Continued police community committee involvement, neighborhood watch, gang awareness
CASTILLO	6	Wellness for employees



## CITY COUNCIL FY 18-19 GOALS

### Category Order and Comments by City Manager

Council agreed at February 13 meeting that each Councilmember will submit at least 5 category goals in priority order to the City Manager to be considered by Council at first meeting in March, 2018

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CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Improve communication between City and Chamber of Commerce	In-House	Chamber
		City Facilities	GF	City Bldgs
		Refurbish City Hall inside (making it more inviting)	Gen Fund	City Bldgs
		Prepare Fire Station 3 (so we can have main station remodeled)	Gen Fund	City Bldgs
		Hire A City Manager, Hire a City Manager that is Well Rounded and Experienced and Will Help our City to Continue to Grow for the right and positive reasons. To hire a City Manager that will allow our Department Heads to Grow and Improve Our Departments with their recommended suggestions not only from our department heads but from our employees. Working Smarter not Harder.	GF	City Manager
		More code enforcement of codes directed at unsightly properties	In-House	Code Enforc
		Continue demo of unsafe structures and pursue liens aggressively	GF	Code Enforc
		Convention Center. Our city is growing and there are too many events, programs and conferences that are going to other surrounding areas to have these events and those surrounding area businesses are benefitting and money is being spent in those areas instead on money being spent in our city. Granted, we do have meeting facilities in our city but these meeting facilities do not accomodate the number of people for the above events that have been mentioned.	GF	Convention Center
		Downtown improvements-lighting, pedestrian safety, south plaza idea? Sculpture? Sidewalk mosaics?	GF	Downtown
		Economic development, creating and retaining jobs, grocery campaign	general fund, LEDC	Econo Devl
		Economic Development		Econo Devl
		Expand economic development (by helping to spread the word & being more involved)	Gen Fund	Econo Devl
		Economic Development: Recruit more businesses especailly retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and speciality shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city. Art Galleries and Music Venues have increased within our downtown area and though many many not appreciate these type of business and or venues, it is good for our downtown and its livelihood. Let's work on getting more of the speciality shops and boutiques in or around the sqaure.	GF	Econo Devl
		Pay raise across the board	GF	Employees
		All Department Heads to Budget Salary Increases for all City Employees.	GF	Employees
		Wellness for employees	GF	Employees
		Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off alternating system, especailly during the holidays. I did appreciate that the city employees were allowed to stay home during our icy, sleet and snow days. The safety of our employees is very important.	GF	Employees
		Subdivision developemnt to attract more businesses to Lockhart. Increase the number of homes, apartments, housing. Our city is growing with new citizens wanting to make Lockhart their home but due to the number of housing available, they wait and or possibly lose interest.	GF	Housing
		Infrastructure	GF	Infrastructure
		Infrastructure improvement- uncurbed streets, street rehab	GF	Infrastructure
		Improve Streets (repairs)	In-House	Infrastructure

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	GF	Infrastructure
		Angled parking for N Main and N Commerce Streets (change during downtown project)	In-House	Parking Downtown
		Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic. Our city is growing and we have been very fortunate with our parking however, it is a concern especially when you have the bigger and wider trucks that are parked in an area that is for a moderate size car. It becomes a hazard and a blind spot when trying to reverse out of the parking space and a blind spot for any and all pedestrians.	GF	Parking Downtown
		Continue to work on City Park improvements	Gen Fund	Parks
		Revive all City parks	Grants	Parks
		Work with LISD to establish a community recreation center at Adams Gym, perhaps under Parks (PUBLIC HEALTH/PARKS)	General Fund/Parks & Rec	Parks
		Add 3 positions to the Parks Department, to help facilitate other improvements (PARKS)	General Fund/Parks & Rec	Parks
		Park improvements - consider medium to long range Town branch development	GF	Parks
		Develop a dog park as part of the Stueve Lane Monte Vista Tract (PARKS/ANIMAL SHELTER/PUBLIC HEALTH)	General Fund/Parks & Rec	Parks
		Parks Improvemens: Purchase and update the park equipment to provide safe and fun filled parks for all to use.	GF	Parks
		Start Planning for 2040 plan	GF	Planning
		Police	GF	Police
		Continued Police Community committee involvement, neighborhood watch, gang awareness	GF	Police
		Work with Police Department to bring back drug enforcement program	Gen Fund	Police
		Get back to Neighborhood Townhall Meetings	GF	Police
		Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is alot of training that is free but alot additional money for registration fees and course material. I am grateful that the Police Department did invest in our Drug Dog and is being utilized by the school as well.	GF	Police
		High School cadet programs for police, fire, EMS	GF	Police/Fire
		Public relations position to deal with social media	GF	Public Relations
		Get the word out about Lockhart (promoting, hiring a Public Relations person)	Gen Fund	Public Relations
		Sidewalk repair and expansion	GF	Sidewalks
		Signage in Lockhart (highway, downtown, and toll road)	Gen Fund	Signage
		Wayfinding, branding - develop new entry sign and city property markers	GF	Signage
		Move Forward with St Paul property project	In-House	St Paul Gift
		Develop an oral history project to support a future "Walking Tour" app for Lockhart (ECONOMIC DEV/DOWNTOWN)	General Fund/Fundraising	Tourism
		More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants). Added events, especially the events that are free to the public do very well for the city as well as for the businesses and tourism. I welcome new events to the city but need to be selective in the events that we do host.	GF	Tourism
		Create a Good Neighbor program (Lockhart Utility Customers can add an additional amount to utility bill to help others)	GF	Utility Customers

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY FINAL LIST BY COUNCIL PRIORITIZED BY CATEGORY: SUBMIT TO CITY MGR BY MARCH 1 PLEASE	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY
		Access to Municipal Court for Utility Payments	In-House	Utility Customers
		Free public wifi on the square as part of the redevelopment on the North side (ECONOMIC DEV/DOWNTOWN)	CAPCOG Grant?	Wifi
		Free public wifi on the square as part of the redevelopment on the North side	GF	Wifi

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
BW	7	Improve communication between City and Chamber of Commerce	In-House	Chamber	City Staff works together with Chambers on all their events by being a co-sponsor with many in-kind services. Robert Tobias attends their meetings and periodically makes presentations about Economic Development issues.
IC	4	City Facilities	GF	City Bldgs	Budget for roofs and major repairs
JEFF M	5	Refurbish City Hall inside (making it more inviting)	Gen Fund	City Bldgs	Working on it; repairs to ceiling in progress, restrooms to be refurbished and replace signage with more informative directions.
JEFF M	7	Prepare Fire Station 3 (so we can have main station remodeled)	Gen Fund	City Bldgs	New plans will be prepared working with new Chief who has different ideas than the previous Chief
AGS	1	Hire A City Manager. Hire a City Manager that is Well Rounded and Experienced and Will Help our City to Continue to Grow for the right and positive reasons. To hire a City Manager that will allow our Department Heads to Grow and Improve Our Departments with their recommended suggestions not only from our department heads but from our employees. Working Smarter not Harder.	GF	City Manager	I concur. The current City Mgr has rode back of garbage trucks, climbed electrical poles, worked water/sewer/asphalt/concrete projects, and has been a utility collections clerk, and during these experiences learned the value of suggestions for charge that comes from employees in such positions. All department heads/supervisors are encouraged to listen to employees who have constructive ideas that would benefit in performing assigned tasks. City Mgr has also learned there are employees who keep there hands in their pockets and talk while everyone else is working and these are the same ones who are often found to be dishonest in their paperwork, sleep on the job, and have a poor attendance record.
BW	1	More code enforcement of codes directed at unsightly properties	In-House	Code Enforc	Will continue to address as complaints come in and as found during investigation outings.
LW	8	Continue demo of unsafe structures and pursue liens aggressively	GF	Code Enforc	Will continue to address and City Attorney exploring process to recover demolition costs
AGS	11	Convention Center. Our city is growing and there are too many events, programs and conferences that are going to other surrounding areas to have these events and those surrounding area businesses are benefitting and money is being spent in those areas instead on money being spent in our city. Granted, we do have meeting facilities in our city but these meeting facilities do not accommodate the number of people for the above events that have been mentioned.	GF	Convention Center	HOT funds and/or Bond Issue. Maintenance funds will be a minimum of \$150,000 annually not including director's salary, utilities, and insurance.
LW	9	Downtown improvements-lighting, pedestrian safety, south plaza idea? Sculpture? Sidewalk mosaics?	GF	Downtown	CAPCOG/CO project will address
LW	1	Economic development, creating and retaining jobs, grocery campaign	general fund, LEDC	Econo Devl	Robert Tobias working with several companies now
IC	2	Economic Development	GF	Econo Devl	See above

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
JEFF M	3	Expand economic development (by helping to spread the word & being more involved)	Gen Fund	Econo Devl	Robert Tobias is involved with the San Marcos Partnership, local chambers, and with downtown businesses on a regular basis. Leads from the Governor's office and the Austin Chamber are also pursued as applicable.
AGS	4	Economic Development: Recruit more businesses especially retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and specialty shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city. Art Galleries and Music Venues have increased within our downtown area and though many not appreciate these type of business and or venues, it is good for our downtown and its livelihood. Let's work on getting more of the specialty shops and boutiques in or around the square.	GF	Econo Devl	The problem is that many of the property owners downtown do not have the funds to customize their buildings to support specialty shops which most the time are not willing to spend money on a building. Rob Tobias is exploring ways to address this issue.
JUAN M	1	Pay raise across the board	GF	Employees	Estimated Costs Including Benefits: For each 1% for non-civil service= \$52,000 For each 1% for civil service = \$28,000
AGS	2	All Department Heads to Budget Salary Increases for all City Employees.	GF	Employees	See above
JC	5	Wellness for employees	GF	Employees	City provides good health insurance (\$586 per month each) with wellness plans for employees; many Cities have stopped this benefit and only provide a stipend for insurance.
AGS	9	Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off alternating system, especially during the holidays. I did appreciate that the city employees were allowed to stay home during our icy, sleet and snow days. The safety of our employees is very important.	GF	Employees	City employees with vacation leave and holiday time are off 23 days a year with pay which is more than a month of work days. The only holidays not given that we found are Columbus Day and Texas Independence Day. Employee safety is very important, however, some employees must come in to make conditions safe for residents and to respond to emergency conditions and that responsibility belongs to each department head who determines based on staff levels and skills time off during holiday times.
AGS	6	Subdivision development to attract more businesses to Lockhart. Increase the number of homes, apartments, housing. Our city is growing with new citizens wanting to make Lockhart their home but due to the number of housing available, they wait and or possibly lose interest.	GF	Housing	6 housing projects in place at different phases. City Manager recommended incentives to builders three years ago which Council approved and during the time it was in place it produced more housing. As a result, more engineering of subdivisions has begun.
JC	1	Infrastructure	GF	Infrastructure	\$400,000 or more yearly needed for streets
LW	2	Infrastructure improvement- uncurbed streets, street rehab	GF	Infrastructure	See above. It will take a major bond issue to address all streets that do not have curbs.
BW	3	Improve Streets (repairs)	In-House	Infrastructure	See above.

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
AGS	3	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	GF	Infrastructure	For streets please see above. Brighter lighting is always a challenge in a city with so many trees. Lockhart still must comply with Senate Bill 5 which regulates power usage. Several cities have passed an ordinance that does not allow for the planting of trees within 15' of the right of way to improve lighting of streets and reduce tree trimming around power lines.
BW	4	Angled parking for N Main and N Commerce Streets (change during downtown project)	Ja-House	Parking Downtown	Scheduled with downtown improvements. Should also consider making 100 Blocks of N Main and N Commerce one-way and possibly consider other blocks downtown especially north/south streets.
AGS	10	Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic. Our city is growing and we have been very fortunate with our parking however, it is a concern especially when you have the bigger and wider trucks that are parked in an area that is for a moderate size car. It becomes a hazard and a blind spot when trying to reverse out of the parking space and a blind spot for any and all pedestrians.	GF	Parking Downtown	Scheduled with downtown improvements
JEFF M	2	Continue to work on City Park improvements	Gen Fund	Parks	Master Plan near complete
BW	2	Revive all City parks	Grants	Parks	Master Plan near complete
KM	2	Work with LISD to establish a community recreation center at Adams Gym, perhaps under Parks (PUBLIC HEALTH/PARKS)	General Fund/Parks & Rec	Parks	Mayor is visiting with LISD about this
KM	3	Add 3 positions to the Parks Department, to help facilitate other improvements (PARKS)	General Fund/Parks & Rec	Parks	Approx. \$100,000 to budget not including equipment and vehicles
LW	3	Park improvements - consider medium to long range Town branch development	GF	Parks	Bond issue needed
KM	4	Develop a dog park as part of the Stueve Lane Monte Vista Tract (PARKS/ANIMAL SHELTER/PUBLIC HEALTH)	General Fund/Parks & Rec	Parks	Estimate on this property is \$ 25000 using used fencing. Maintenance and insurance are also cost factors
AGS	8	Parks Improvements: Purchase and update the park equipment to provide safe and fun filled parks for all to use.	GF	Parks	Master Plan near complete
JUAN M	3	Start Planning for 2040 plan	GF	Planning	Needs to be done
JC	3	Police	GF	Police	Chief Pedraza is working on these issues. Recently issued update that was sent to Council.
LW	4	Continued Police Community committee involvement, neighborhood watch, gang awareness	GF	Police	See above
JEFF M	4	Work with Police Department to bring back drug enforcement program	Gen Fund	Police	See above
JUAN M	5	Get back to Neighborhood Townhall Meetings	GF	Police	Will get with Chief about this

CM INITIALS	PRIORITY #	GOALS IDENTIFIED BY COUNCIL FOR FY 18-19: SORTED BY CATEGORY	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	SORTED BY CATEGORY	CITY MANAGER COMMENTS
AGS	5	Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is a lot of training that is free but a lot additional money for registration fees and course material. I am grateful that the Police Department did invest in our Drug Dog and is being utilized by the school as well.	GF	Police	Chief Pedraza reports that Lockhart has two certified mental health officers, and he feels there is sufficient funding for training. He also reports that a new Narcotics Officer would cost about \$90,000 for salary/benefits, training, a vehicle, and all required equipment.
LW	10	High School cadet programs for police, fire, EMS	GF	Police/Fire	Will visit with department heads again about this
LW	6	Public relations position to deal with social media	GF	Public Relations	Position would cost with benefits about \$45,000 annually and would need more tasks to perform.
JEFF M	6	Public relations position to deal with social media	GF	Public Relations	See above
LW	7	Sidewalk repair and expansion	GF	Sidewalks	Costs average about \$25 per linear foot
JEFF M	1	Signage in Lockhart (highway, downtown, and toll road)	Gen Fund	Signage	Wayfinding and Branding Committee in place
LW	5	Wayfinding, branding - develop new entry sign and city property markers	GF	Signage	See above
BW	5	Move Forward with St Paul property project	In-House General	St Paul Gift	Working on costs associated with this projects which involve asbestos/lead paint survey and possible abatement, ADA restrooms, ADA entry ramp, kitchen changes, and other repairs.
KM	5	Develop an oral history project to support a future "Walking Tour" app for Lockhart	Fund/Fundraising	Tourism	Could be part of the Wayfinding and Branding Committee tasks
AGS	7	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants). Added events, especially the events that are free to the public do very well for the city as well as for the businesses and tourism. I welcome new events to the city but need to be selective in the events that we do host.	GF	Tourism	Chambers receive HOT funds for tourism and City co-sponsors events that contribute to tourism.
JUAN M	4	Create a Good Neighbor program (Lockhart Utility Customers can add an additional amount to utility bill to help others)	GF	Utility Customers	Have pursued this in the past. Requires a Board or Committee that is willing to take on the tasks of selecting who and how much help can be provided to customers. Some Cities allocate the funds to existing organization that is willing to take on the project.
BW	6	Access to Municipal Court for Utility Payments	In-House	Utility Customers	Working to this; advertisements and office training needed.
KM	1	Free public Wi-Fi on the square as part of the redevelopment on the North side (ECONOMIC DEV/DOWNTOWN)	CAPCOG Grant?	Wi-Fi	County judge had indicated to Mayor that the County could do this.
JUAN M	2	Free public wifi on the square as part of the redevelopment on the North side	GF	Wifi	See Above

LOCKHART CITY COUNCIL FY 17-18 GOALS				
Category and Priority Order				
COUNCIL MEMBER	PRIORITY	GOALS IDENTIFIED BY COUNCIL FOR FY 17-18 (as submitted by Councilmembers)	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	CATEGORY
BH	3	Continue Improving City Cemetery	with GF Expiring debt saving and/or Cemetery Tax	CEMETERY
Jeff M	2	Refurbish City Hall in the inside (to make more inviting to the public) as well as doing some landscaping outside	General Fund	CITY BLDGS
BW	3	Spruce up and clean up City properties		CITY BLDGS
BH	4	Improve City Facilities Appearance		CITY BLDGS
JC	4	City Facilities		CITY BLDGS
AGS	10	Convention Center		CONVENTION CTR
JC	2	Crime		CRIME
AGS	4	Police Task Force: Budget extra funds for a Police Task Force, a Narcotics Officer and a Mental Health Officer to address any drug and gang related problems and mental issues our city is being faced not only on the East side of our city but citywide. Budget for updated training for our police officers. There is alot of training that is free but alot additional money for registration fees and course material.		CRIME
Jeff M	4	Work with Police Department to bring back drug enforcement program		CRIME
LW	8	Fund for helping utility customers in need	???	CUSTOMER SERV
BW	2	Continue to change angle parking downtown: 200 Blk S Main, 100 Blk N Main, 100 Blk N Commerce, 200 Blk E Market; little time and expense invovled	??	DOWNTOWN
LW	2	Downtown improvements,bathrooms, electric, pedestrian safety, beautification, wifi, lighting		DOWNTOWN
AGS	9	Parking around and surrounding the square. Issues with larger vehicles parked in areas that are narrow and that make it hard to see oncoming traffic		DOWNTOWN
LW	1	Expanding economic development department, budget, office, staff?, marketing	General fund, LEDC	ECCONOMIC DEV
AGS	3	Economic Development: Recurit more businesses especailly retail and continue efforts; contact existing and vacant building owners to see if they are willing to work with the City of Lockhart to bring retail businesses and speciality shops, as well as industrial. Purchase buildings and land when on the market for possible new businesses for the city.		ECCONOMIC DEV
JC	3	Economic Development		ECCONOMIC DEV
AGS	5	Subdivision development to attract more businesses to Lockhart.		ECCONOMIC DEV
JM	5	Set up meetings with developers for more retail space shopping centers along US 183		ECCONOMIC DEV

LOCKHART CITY COUNCIL FY 17-18 GOALS				
Category and Priority Order				
COUNCIL MEMBER	PRIORITY	GOALS IDENTIFIED BY COUNCIL FOR FY 17-18 (as submitted by Councilmembers)	SUGGESTED FUNDING SOURCE BY COUNCILMEMBER	CATEGORY
AGS	6	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants)		ECONOMIC DEV
AGS	1	All Department Heads to Budget Salary Increases for all City Employees.		EMPLOYEES
JM	1	City Employee Raises		EMPLOYEES
JM	2	House or fund gym membership/space (weight rm) in Senior Center area (cardio machine) for City employees		EMPLOYEES
AGS	8	Employee: Possible additional Employee Holiday Time Off-Alternating System. Even though this has been discussed and the reasons for why it cannot be done, I would like to see a time off alternating system, especailly during the holidays.		EMPLOYEES
BW	1	ENFORCE ordinances that pertain to unsightly properties all over town		ENFORCEMENT
Jeff M	1	Enforce city ordinance regarding residential property		ENFORCEMENT
Jeff M	3	Continue to work on City Park improvements		PARKS
JM	3	Do inventory of City properties to idenify areas for pocket parks	LEDC funds	PARKS
LW	3	Park improvements	General fund	PARKS
BH	5	Parks Improvements	General Fund	PARKS
JC	5	Parks		PARKS
AGS	7	Parks Improvemens: Purchase and update the park equipment to provide safe and fun filled parks for all to use.		PARKS
LW	7	Town branch cleanup and beautification	???	PARKS
JM	4	Start process of Funding Sidewalks east of 183 connecting to the US 183 sidewalks		SIDEWALKS
LW	6	sidewalk repair and expansion	general fund bond	SIDEWALKS
BH	1	IMPLEMENT SIGNAGE IN LOCKHART	General Fund (LEDC) and/or Hotel Tax	SIGNAGE
LW	4	wayfinding, branding	general fund	SIGNAGE
LW	5	Entry signs	general fund	SIGNAGE
Jeff M	6	Signage on Highway 183 and SH130 = directing people to Lockhart		SIGNAGE
BW	4	Pursue oppportunity to move Senior Citizens' Center to St Paul United Church of Christ Property		SR CITIZENS CTR
JC	1	Roads	Grants or impact fees	STREETS/INFRAS
AGS	2	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods		STREETS/INFRAS
BH	2	Continue improving City Streets	Increase Transportation Fund	STREETS/INFRAS
Jeff M	5	Continue to make improvements and redoing our city streets		STREETS/INFRAS

**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
1	Castillo	Infrastructure	Complete 2015 CO projects and need budget of \$250,000 per year for streets, continue water and sewer main replacements; continue electric distribution maintenance plan-get new substation on line. Replace bad water raw water mains and find additional water for the future.
1	Gonzales-Sanchez	Department Heads to Budget Salary Increases for city employees so that we can keep our current city employees.	Est Cost Per % Increase Annually: Gen Fund (Not Civil Serv) \$ 29,000; Gen Fund Civil Serv \$ 24,000; Other/Utilities: \$ 15,000- Add'l
1	Hilburn	Improve City Cemetery with GF Expiring debt saving and/or Cemetery Tax	Cemetery Tax up to 5 cents allowed by State Law. Expiring GF debt committed to Police and Fire increased pay rates. (\$132,000)
1	Mendoza	Find ways to use activity center for multi-purpose use. (basketball, volleyball). Funding source: Different companies in town	If approved by Council staff would approach local businesses
1	Michelson	Continue to improve infrastructure (drainage, street repairs) throughout the city	Complete 2015 CO and budget \$250,000 per year for street materials
1	Westmoreland	Enforce ordinances that pertain to unsightly properties all over town. Make homeowners/residents (because some may be renters) take pride in their environment. It is an eyesore to drive around town and see overgrown properties, junked cars, and stacks of trash on porches, in yards and driveways. All levels of socio-economic residents in this town have shown evidence of being disrespectful to their environment.	City has no esthetics ordinance currently. The term "unsightly" is subjective and is difficult to prove in court.
1	White	Economic Development-expanding budget to get staff qualified to help Sandra with recruitment, working with LEDC to either build Spec building or invest in more property, Main St program to relieve Sandra of a lot of those duties	Main Street Program would require another person and funding to work with local businesses while Economic Development would concentrate on new businesses and new jobs
2	Castillo	Economic Development	Need 12-15,000 sf of retail spaces with reasonable lease per sf and buildings that are 20 to 50,000 sf for industrial and manufacturing
2	Gonzales-Sanchez	Infrastructure: Continue City Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in Neighborhoods	Complete 2015 CO projects and need budget of \$250,000 per year for streets, continue water and sewer main replacements; continue electric distribution maintenance plan-get new substation on line. Replace bad water raw water mains and find additional water for the future. Most streets that lack curbing will need to be totally reconstructed. Brighter LED lights being experimented with since costs have come down.
2	Hilburn	Implement City Signage	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
2	Mendoza	New Park equipment. Funding Source: Each Councilmember responsible for a park and finding funding sources	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
2	Michelson	Continue to improve ways to attract businesses to Lockhart	Need more 12-15,000 sf of retail spaces with reasonable lease per sf and buildings that are 20 to 50,000 sf for industrial and manufacturing
2	Westmoreland	Create a policy for the residency of future administrative positions to live within the Lockhart city limits. If an administrator wants to be employed by the City of Lockhart, they need to reside here. Sharing in the daily lives of our citizens seems crucial to making decisions about Lockhart. They are paid by city taxes.	It is not legal to require all department heads to live in the City limits; only the City Manager is required to do so. All non-24 emergency response employees must live within 25 minutes of City Limits
2	White	Continue street rehab	Need \$ 250,000 annually minimum for street work materials
3	Castillo	City Facilities	Not sure what this includes; can assess all departments for physical needs
3	Gonzales-Sanchez	Economic Development: Recruit more businesses especially retail and continue efforts ; contact existing and vacant bldg owners to see if they are willing to work with City to bring these small retail businesses, as well as industrial; possibly purchasing two downtown county buildings when on the market for possible new businesses in the downtown area. Stronger platform with LEDC with methods to sell Lockhart and attract businesses.	LEDC could fund another report but the company says our numbers still should be good. Costs estimated \$22,500 for updating data and recruitment. Prime softgood companies constantly want to be on Highway 183 in 12-15,000 sf and at a reasonable cost per sf plus higher traffic counts.

**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
3	Hilburn	Continue improving city streets: Increase Transportation Fund	Current transportation monthly rate is \$ 4 for residential and others; \$260,000 annual which helps fund labor and equipment, but is not sufficient for materials. Another \$250,000 for materials is needed annually.
3	Mendoza	Wi-Fi Free Zones Downtown Square. Funding source City Budget, School District, Downtown sponsors	Rough estimate is about \$12,000
3	Michelson	Refurbish City Hall	If atrium removed, add more offices estimated at \$45,000 and more outside landscaping estimated at \$ 5,000; elevator going in with improvements to restrooms and offices
3	Westmoreland	Approach interested and future businesses cordially. Stringent ordinances (and the way they are approached), scare off some businesses. Let's be friendly in a positive way.	City Mgr respectfully requests names of such businesses. He has met with 18 business representatives over past 15 months that were looking at Lockhart but did not come. Except for the non-residential exterior building esthetics ordinance, none of them indicated a problem with the current ordinances or with staff. The main problems were high land prices and the lack of "ready built retail and industrial buildings", and traffic counts were not high enough. Most thought the impact fee schedules were very reasonable compared to other cities. Will continue to work toward friendlier customer service with simplified ordinances.
3	White	Park master plan to consider park bond issue, recreation dept and staff issues	Master Plan estimate: \$ 45,000, recreation dept est at least \$ 60,000 for a recreational professional with another \$30,000 for equipment and materials
4	Castillo	Employees Wages	Est Cost Per % Increase Annually: Gen Fund (Not Civil Serv) \$ 29,000; Gen Fund Civil Serv \$ 24,000; Other/Utilities: \$ 15,000- Add'l Cost FY 16-17 due to Civil Serv Pay Plan Expansions already approved: \$ 132,000
4	Gonzales-Sanchez	Police Task Force: Budget extra funds to bring back a much needed Police Task Force to address any drug and gang related problems this city is being faced with especially on the East side of our city. Possibly ask the County to assist with funding.	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
4	Hilburn	Continue working on bringing industry to Lockhart: Continue supporting Ms. Mauldin	LEDC is will have sufficient funding to be more aggressive starting FY 16-17
4	Mendoza	Training Start up: Neighborhood Watch Training and Program: Police Budget	Have tried Neighborhood Watch Program in past but was not sustained because of lack of participation. Willing to try again.
4	Michelson	Improve signage on HWY 183 as well as SH130 = directing people to Lockhart	Possibly use of some of the KTB grant money
4	Westmoreland	Evaluate and/or change the degree of the angled parking along the 4 blocks off of the square. This would be: Main Street from Market to Prairie Lea Street; Main Street from San Antonio Street to Walnut Street; Commerce Street from Market Street to Prairie Lea Street, and Commerce Street from San Antonio Street to Walnut Street. These parking spaces were made before long vehicles were made! If there are cars parked on both sides of the streets, only one car can pass through at a time. Then it becomes a one lane street. I have witnessed a different angled parking arrangement, and it provides more room and is much safer for the drivers and pedestrians.	Estimate to black out existing thermoplastic markings, redefine layout, and apply new thermoplastic markings with angle parking = \$ 12,000; will probably lose 4 spaces per block. 2 on each side
4	White	Branding and wayfinding—may be included in #1	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000
5	Castillo	Parks	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
5	Gonzales-Sanchez	Subdivision development to attract more businesses to Lockhart	Working with 6 more subdivisions, either new or expanding, and possibly one more very large one northwest.
5	Hilburn	Improve tourism in Lockhart - City Council continue to work with and encourage Chambers of Commerce to be more involved	Council can make this directive to Chambers when dividing out HOT funds
5	Mendoza	Finding more funding for Retail Market Study. Zip code demographics with reports. Funding LEDC	LEDC could fund another report but the company says our numbers still should be good. Costs estimated \$22,500 for updating data and recruitment.

**Lockhart City Council**  
**FY 16-17 Goals**  
**Revised 3-10-2016, 8:30 pm**

Priority	Council Person	Goals Submitted	City Manager Comments
5	Michelson	Work with LEDC or someone equivalent to build a building to help attract business	Need more 12-15,000 sf of retail spaces with reasonable lease per sf. Most softgood retailers want 12-15,000 on Hwy 183 at a reasonable price and increased traffic volumes
5	White	Sidewalks to include lighting	Funding required; for example San Jacinto to Jr High estimate is \$130,000 just for materials along Maple walkway
6	Gonzales-Sanchez	More Events to Attract Tourism in Lockhart and Include Way Finding Signage (Hotels and Restaurants)	Initial required funds up to \$40,000 if City Crew does the work; total cost could be more than \$70,000. Chambers could use HOT for more tourism.
6	Michelson	Continue to work on City Park improvements	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
6	White	Pursue possible ESD-EMS district	Legal issue with participation by County and City of Luling preferable
7	Gonzales-Sanchez	Parks Improvemens: Purchase more park equipment to provide safe and fun filled parks for all to use.	Estimate: \$ 400,000 annually over next 4 years based on input from Parks Board Advisory Board
7	Mendoza	Start Talks With YMCA Austin again. Seek sponsors funding if necessary	Our population hurt in previous discussions, Will pursue again. They usually want commitment for a minimum number of individuals and families depending on population of not only City but its metro area
7	Michelson	Work on building a civic center/ recreation center	\$ 9 million plus land \$ 2.5 million for about 20,000 sf plus about \$240,000 annual maintenance costs and minimum of \$60,000 for utilities; estimated revenues offset is about \$60,000; take out recreation center and cost go down about 20%. It has been reported that Bastrop is spending over \$500,000 per year to operate its civic center. Revenues not covering costs.
7	White	Cemetery maintenance	Cemetery Tax up to 5 cents allowed by State Law
8	Gonzales-Sanchez	City Hall: Refurbish with Improvements and/or Upgrades	Elevator and improvements to restrooms planned; better offices for Connie and Sandra planned also.
9	Gonzales-Sanchez	Convention Center	\$ 9 million plus land \$ 2.5 million for about 20,000 sf plus about \$240,000 annual maintenance costs and minimum of \$60,000 for utilities; estimated revenues offset is about \$60,000; take out recreation center and cost go down about 20%. It has been reported that Bastrop is spending over \$500,000 per year to operate its civic center. Revenues not covering costs.
10	Gonzales-Sanchez	Employee: Possible additional Employee Holiday Time off-Alternating system	City employees now have 12 holidays and 1 personal holiday; time off is granted by seniority with department head responsible for keeping sufficient personnel to serve the public needs. Employees also receive at least 2 weeks of vacation time. Those employees required to work on holidays receive their normal pay plus holiday pay.

City of Lockhart  
Future Debt Payments as of 9/30/18

Description		Paid Debt	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
<b>General Government</b>																					
<b>Hotel Tax Fund</b>																					
2016 GO Refunding			40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								400,000
<b>Total Hotel Tax Fund P &amp; I</b>			-	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	-	-	-	-	-	-	-	400,000
<b>LEDC</b>																					
2015 Tax & Revenue	100.00%		48,093	48,044	48,103	48,152	63,645	63,670	63,513	63,543	63,555	63,643	63,687	65,647	65,544	65,575	65,482	65,579	65,538	65,676	1,048,596
<b>Total LEDC Fund P &amp; I</b>			48,093	48,044	48,103	48,152	63,645	63,670	63,513	63,543	63,555	63,643	63,687	65,647	65,544	65,575	65,482	65,579	65,538	65,676	1,048,596
<b>2015 Capital Projects Fund</b>																					
2015 Tax & Revenue																					-
<b>Total 2015 Capital Projects Fund Fund P &amp; I</b>			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Drainage</b>																					
2015 Tax & Revenue			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,700,000
<b>Total Drainage Fund P &amp; I</b>			100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	1,700,000
<b>General Fund</b>																					
2015 Tax & Revenue																					-
<b>Total General Fund P &amp; I</b>			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Debt Service Fund</b>																					
2006 Tax & Rev CO's	100.00%		47,175	50,535	48,690	46,845															146,070
2006-A Tax & Rev CO's	93.00%		267,890	267,803	267,332	271,128															806,264
2015 Tax & Revenue	TRNSF		186,594	186,302	186,653	186,945	279,275	279,421	278,487	278,662	278,735	279,261	279,523	291,203	290,590	290,773	290,222	290,798	290,554	291,374	4,548,778
2015 Tax & Revenue	12.00%		117,779	117,659	117,803	117,923	155,867	155,927	155,543	155,615	155,645	155,861	155,969	160,769	160,517	160,592	160,365	160,602	160,502	160,831	2,567,990
2016 GO Refunding	74.84%		171,056	346,930	361,150	353,161	656,899	666,927	661,698	666,974	673,111	670,566	678,350	-	-	-	-	-	-	-	5,735,766
<b>Total Debt Service Fund P &amp; I</b>			790,494	969,229	981,628	976,002	1,092,041	1,102,275	1,095,728	1,101,251	1,107,491	1,105,688	1,113,842	451,972	451,107	451,365	450,587	451,400	451,056	452,205	13,804,868
<b>Total General Government</b>			<b>938,587</b>	<b>1,157,273</b>	<b>1,169,731</b>	<b>1,164,154</b>	<b>1,295,686</b>	<b>1,305,945</b>	<b>1,299,241</b>	<b>1,304,794</b>	<b>1,311,046</b>	<b>1,309,331</b>	<b>1,317,529</b>	<b>617,619</b>	<b>616,651</b>	<b>616,940</b>	<b>616,069</b>	<b>616,979</b>	<b>616,594</b>	<b>617,881</b>	<b>16,953,464</b>

Future Debt Payments as of 9/30/18

Description	Paid Debt	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
<b>Proprietary</b>																				
<b>Electric Fund</b>																				
2013 SIB Loan	30.81%	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,151	71,151	71,152			1,067,268
																				-
<b>Total Electric Fund P &amp; I</b>	-	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,152	71,151	71,151	71,151	71,151	71,151	71,151	71,151	71,152	-	-	1,067,268
<b>Water Fund</b>																				
2006A Tax & Rev CO's	7.00%	20,164	20,157	20,122	20,408															60,687
2015 Tax & Revenue	49.60%	486,818	486,322	486,917	487,413	644,248	644,496	642,909	643,207	643,331	644,223	644,670	664,510	663,468	663,778	662,842	663,822	663,406	664,800	10,614,362
2016 GO Refunding	21.81%	49,849	101,103	105,247	102,919	191,435	194,357	192,833	194,371	196,159	195,418	197,686	-	-	-	-	-	-	-	1,671,528
2013 SIB Loan	35.80%	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676	82,676			1,240,140
<b>Total Water Fund P &amp; I</b>	-	639,507	690,258	694,962	693,416	918,359	921,529	918,418	920,254	922,166	922,317	925,032	747,186	746,144	746,454	745,518	746,498	663,406	664,800	13,586,717
<b>Sewer Fund</b>																				
2015 Tax & Revenue	4.30%	42,204	42,161	42,213	42,256	55,852	55,874	55,736	55,752	55,773	55,850	55,889	57,609	57,518	57,545	57,464	57,549	57,513	57,643	920,197
2016 GO Refunding	3.35%	7,657	15,529	16,166	15,808	29,404	29,853	29,619	29,855	30,130	30,016	30,364	-	-	-	-	-	-	-	256,744
2013 SIB Loan	33.39%	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102	77,103	77,102	77,102			1,156,537
<b>Total Sewer Fund P &amp; I</b>		126,963	134,793	135,481	135,166	162,359	162,829	162,457	162,710	163,005	162,968	163,356	134,711	134,620	134,648	134,566	134,651	57,513	57,643	2,333,478
<b>Total Proprietary Fund P &amp; I</b>	-	837,621	896,203	901,594	899,733	1,151,869	1,155,510	1,152,026	1,154,116	1,156,323	1,156,436	1,159,539	953,049	951,915	952,253	951,236	952,301	720,919	722,443	16,987,463
<b>Grand Total</b>		<b>1,776,208</b>	<b>2,053,476</b>	<b>2,071,326</b>	<b>2,063,887</b>	<b>2,447,555</b>	<b>2,461,455</b>	<b>2,451,267</b>	<b>2,458,910</b>	<b>2,467,369</b>	<b>2,465,767</b>	<b>2,477,068</b>	<b>1,570,668</b>	<b>1,568,566</b>	<b>1,569,193</b>	<b>1,567,305</b>	<b>1,569,280</b>	<b>1,337,513</b>	<b>1,340,324</b>	<b>33,940,927</b>



City of Lockhart  
2015 BOND PROGRAM

Cost	Notes	Task Name	Duration	Start	Finish	2015												2016												2017											
						Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
\$1,355,516.00	6	Construction	365 days	Thu 6/30/16	Thu 6/29/17																																				
		Surveying Proposal	15 days	Mon 1/18/16	Mon 2/1/16																																				
		Survey	30 days	Tue 2/2/16	Wed 3/2/16																																				
		Acquisition	150 days	Thu 3/3/16	Sat 7/30/16																																				
		Engineering Design	120 days	Thu 3/3/16	Thu 6/30/16																																				
		Bid Ad/NTP	60 days	Fri 7/1/16	Mon 8/29/16																																				
		Construction	300 days	Fri 9/2/16	Wed 6/28/17																																				
\$470,400.00	7	<b>SH130 PUMP STATION PROJECT</b>																																							
		Survey	7 days	Mon 4/25/16	Sun 5/1/16																																				
		Engineering Design	90 days	Mon 5/2/16	Sat 7/30/16																																				
		Bid Ad/NTP	60 days	Sun 7/31/16	Wed 9/28/16																																				
\$859,186.00	8	<b>SH130/TOWN BRANCH SEWER PROJECT</b>																																							
		Surveying Proposal	15 days	Fri 5/20/16	Fri 6/3/16																																				
		Survey	30 days	Sat 6/4/16	Sun 7/3/16																																				
		Acquisition	120 days	Mon 7/4/16	Mon 10/31/16																																				
		Engineering Design	90 days	Mon 7/4/16	Sat 10/1/16																																				
		Bid Ad/NTP	60 days	Sun 10/2/16	Wed 11/30/16																																				
\$1,891,126.00	9	<b>WATER TRANSMISSION MAIN PROJECT - Water Plant Transmission Main, MLK to FM 20 West Transmission Main</b>																																							
		Surveying Proposal	17 days	Wed 11/16/16	Fri 12/2/16																																				
		Survey	30 days	Sat 12/3/16	Sun 1/1/17																																				
		Acquisition	120 days	Mon 1/2/17	Mon 5/1/17																																				
		Engineering Design	90 days	Mon 1/2/17	Sat 4/1/17																																				
		Bid Ad/NTP	60 days	Sun 4/2/17	Wed 5/31/17																																				
		Construction	180 days	Mon 6/5/17	Fri 12/1/17																																				