

**REGULAR MEETING
LOCKHART CITY COUNCIL**

JUNE 1, 2021

6:30 P.M.

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

Council present:

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

Mayor Lew White
Councilmember Derrick David Bryant
Councilmember Kara McGregor
Councilmember Brad Westmoreland

Staff present:

Steven Lewis, City Manager
Monte Akers, City Attorney
Pam Larison, Finance Director
Dan Gibson, City Planner
Mike Kamerlander, Economic Development Dir.

Connie Constancio, City Secretary
Victoria Maranan, Public Information Officer
Sean Kelley, Public Works Director
Kevin Waller, Assistant City Planner

Citizens/Visitors Addressing the Council: JJ King of West Texas Gas; Michelle and Fred Rodriguez of Native Tiny Homes; Ken Shauer of Doucet & Associates; and Citizens, Marcia Proctor, David Jevas and Doug Spillmann.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. DISCUSS MINUTES OF THE CITY COUNCIL MEETING OF MAY 18, 2021.

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

B. DISCUSS RESOLUTION 2021-08 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR A TRANSPORTATION ALTERNATIVES GRANT TO FUND PUBLIC IMPROVEMENTS IN THE 100 BLOCK OF EAST SAN ANTONIO STREET (SH 142).

Mr. Gibson stated that a key component of the Sustainable Places Project Plan adopted by the City Council on December 17, 2013, is proposed pedestrian and vehicular traffic improvements within the courthouse square. It included sidewalk extensions at all four street corners of the square, widening the sidewalk along the north side of San Antonio Street, and elimination of the existing streetlight median and realignment of the travel lanes of the street. A new funding opportunity is now available from the Texas Department of Transportation (TxDOT), and a preliminary grant application for this project was determined by TxDOT to be eligible for continuing to the final application stage in the Transportation Alternatives category. Therefore, a final application is being prepared for submission by the June 14 deadline. The grant will cover the cost of construction and TxDOT's 15 percent administrative fee, and will also reimburse the City for any engineering design and environmental documentation that is done after the grant is awarded. The required environmental documents will be prepared by the city engineer or other consultant. Any design or other costs that we pay before being awarded the grant is not eligible for reimbursement. The grant will also not reimburse the city for any cost overruns exceeding the grant amount awarded. The total estimated cost of

design, construction, contingency, administrative fee, and environmental documents that is eligible for reimbursement through the grant is \$1,856,613. There is no city match required because the city is eligible for Transportation Development Credits based on being a city of less than 50,000 population and meeting certain economic criteria. The grant will reimburse for all costs and fees as benchmarks are met, so City will need to have funds available until the reimbursements are received. Those expenses can be charged to the 2015 Certificate of Obligation line item. Mr. Gibson stated that staff recommended approval. There was discussion.

C. DISCUSS ORDINANCE 2021-14 GRANTING TO WEST TEXAS GAS, INC., THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF LOCKHART, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

Mr. Kamerlander stated that the City's new industrial park is under development at FM 2720 and the railroad. Lockhart Economic Development Corporation (LEDC) staff is working with its engineers on getting all infrastructure in place to make it ready for companies to move to Lockhart. While the City controls the water, sewer, and the drainage and LEDC has been working with Bluebonnet Electric Coop for the electrical needs, natural gas has been the last utility needed for the park. Currently, the City of Lockhart has a franchise agreement with Texas Gas which supplies natural gas to the customers in Lockhart. Texas Gas is the City's only gas supplier today. While it would be possible for Texas Gas to service the new industrial park, current gas lines are not close to the new industrial park. The current line stubs out at the gas station and the Stanton Apartments on San Antonio Street. Texas Gas would have to install approximately a mile of new pipe to service the park and must cross 130 and the rail line to get there. West Texas Gas has requested a franchise so that the company can operate a natural gas utility within the corporate limits of the City. If granted a franchise, West Texas Gas would become the second gas utility offering to sell gas to individual customers. The proposed franchise agreement is similar to that granted to Texas Gas. In return for a 5 percent franchise fee, the franchise permits construction without a permit fee, liberal use of right-of-way and grants the Public Utility Commission exclusive jurisdiction of rates. He provided details about West Texas Gas and a history of the company. West Texas Gas has a natural gas distribution line that crosses FM 2720 only 1,800 feet north of the industrial park and on the east side of the road making the extension very easy and quick to the new industrial park. West Texas Gas has agreed to serve the new industrial park, including the installation of all infrastructure, at no cost to LEDC or the City of Lockhart. Lockhart's franchise agreement with Texas Gas is not exclusive so it is permissible for the City of Lockhart to enter into an agreement with another gas company. The Texas Gas franchise agreement is 5 percent with Texas Gas and currently generates approximately \$63,000 per year. The franchise agreement with West Texas Gas is also at 5 percent but due to the uncertainty of the amount of gas usage at the park, it is not known how much revenue that will generate over the agreement's 20-year period. Upon passage of the proposed ordinance, LEDC will work with West Texas Gas and Doucet & Associates to make sure the plans for the industrial park are in concert with what West Texas Gas needs to install its lines into the park. West Texas Gas has indicated they could get to work quickly and LEDC anticipates that the gas lines would be completed at the same time as the rest of the infrastructure in the park later this summer. Mr. Kamerlander stated that Representatives of West Texas Gas were present to provide information and to answer questions.

Mr. Akers provided information regarding a franchise agreement. He stated that a franchise is a grant of authority by a governmental body for use of the public property owned by the governmental body for commercial or private purposes. Chapter 182 of the Tax Code authorizes governmental entities to impose a fee for use of public rights-of-way with a unilateral minimum 2 percent gross fee and allows governmental entities to negotiate the franchise fee rate above 2 percent. He provided details about the agreement.

Mayor White requested Representative of West Texas Gas to address the Council.

JJ King, Vice-President of West Texas Gas, introduced Dillon Hansel and Willie Haul of West Texas Gas, that were also present. He provided background about West Texas Gas and stated that they service many municipalities in the Country. He stated that West Texas Gas would like to service the new growth areas in the Lockhart area.

D. DISCUSS A REQUEST BY ARNOLD AND MARCIA PROCTOR FOR A DETERMINATION OF ELIGIBILITY FOR A TAX ABATEMENT (TA-21-01) PURSUANT TO CHAPTER 28 "HISTORIC DISTRICTS AND LANDMARKS", DIVISION 2 "TAX ABATEMENT", OF THE LOCKHART CODE OF ORDINANCES, FOR EXTERIOR IMPROVEMENTS TO A REGISTERED HISTORIC LANDMARK SINGLE-FAMILY DWELLING LOCATED AT 515 SOUTH MAIN STREET.

Mr. Waller stated that Division 2 of the Historic Districts and Landmarks ordinance provides for tax abatements to mitigate the cost of eligible improvements to structures that are within a historic district or that are a designated historic landmark. The owners of the home located at 515 South Main Street have applied for a tax abatement for multiple exterior, improvements, including porch column and capital replacements, wood siding repair and replacement, roof leak repairs, porch floorboard repair and replacement, balcony repair and replacement, solar screen installation for all windows, power washing, scraping, and painting the house, upper door glass repair on the side porch, glass repair on the front door, and light fixture refurbishment on the front porch. A Tax Abatement application must first be considered by the Historical Preservation Commission for a recommendation to City Council, which in turn makes a determination of eligibility for the tax abatement. In addition, approval of a Certificate for Alteration is required for the improvements, which the Historical Preservation Commission approved at its May 19 meeting. The tax abatement applies only to the City property taxes, and it cannot exceed the owner's total out-of-pocket costs of the improvements. The most recent estimate of the total cost is \$62,499.98. For the first five years of the abatement period, 100 percent of the City taxes are waived. After a reappraisal, 50 percent of the taxes can be waived each year for an additional consecutive five-year period. The City property taxes for the subject property in 2020 were \$1,363.93, so even if the maximum allowed amount is waived each year over the ten-year period, the total abatement will not exceed the owner's out-of-pocket expenses. There was discussion.

Marcia Proctor, applicant, expressed appreciation about the tax abatement process. She stated that maintaining historic properties are very expensive to maintain and the tax abatement is a financial incentive towards the renovation of your historic home.

RECESS: Mayor White announced that the Council would recess for a break at 7:02 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

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

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council on an item that is not on the agenda. There were none.

ITEM 4-A. HOLD A PUBLIC HEARING ON APPLICATION ZC-21-05 BY MICHELLE RODRIGUEZ, ON BEHALF OF FRANCO ORTIZ FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT AND RLD RESIDENTIAL LOW DENSITY DISTRICT TO AO AGRICULTURAL-OPEN SPACE DISTRICT ON 5.1 ACRES IN THE BYRD LOCKHART SURVEY, ABSTRACT NO. 17, LOCATED AT 921 SILENT VALLEY ROAD (FM 2001).

Mayor White opened the public hearing at 7:35 p.m.

Mr. Gibson stated that the south portion of the subject property is zoned RLD, and the rear portion is zoned AO. The applicant proposes to develop the property as an RV park consisting to towable tiny homes. RV parks are a specific use in the AO district, so an additional application and public hearing process will be required if this zoning change is approved. The zoning must be changed so that the entire parcel is zoned AO, which is one of only two zoning classifications that allow RV parks. RV parks are not allowed at all in the RLD district. Most uses allowed by-right in the AO district are low intensity and would be compatible with the existing and potential future single-family dwellings in the area. Therefore, expanding the existing AO zoning to include the entire parcel has no obvious adverse impact. However, specific uses such as the proposed RV park could possibly be incompatible with existing low density housing in the area. The proposed AO zoning classification would normally be considered consistent with the Land Use Plan map designation of Low Density Residential because the AO district allows only one dwelling unit per acre by-right. RV parks are also allowed as a specific use in the CHB district, but that classification would be far less consistent with the surrounding zoning or future land use designations than AO. The zoning classification that would be most consistent with the future land use plan map is RLD, which already exists on the front portion of the property. Two owners of property in the area spoke in opposition at the Planning and Zoning Commission public hearing. Mr. Gibson stated that the Planning and Zoning Commission failed to make a recommendation due to a tie vote on a motion to recommend denial. Staff does not have a strong opinion either way. There was discussion.

Mayor White requested the applicant to address the Council.

Michelle Rodriguez, 921 Silent Valley Road, Native Tiny Home Village, provided information regarding their plan to develop an RV park for tiny homes that can be moved on and off-site. The homes will be built by Native Tiny Homes and only owners of homes will be allowed to park their tiny home in the RV park. It is projected to lease space to approximately 35-45 tiny homes. She requested approval of the zoning change.

Mayor White requested citizens in favor of the zoning change to address the Council. There were none.

Mayor White requested citizens against the zoning change to address the Council.

David Jervas, 900 Silent Valley Road, spoke against the zoning change. He stated that the area should remain zoned for single family homes.

Doug Spillmann, 1701 Silent Valley Road, stated that he is not opposed to the zoning to AO yet he is opposed to the proposed use of the property. He believes that the property should be zoned to only allow a single-family home.

Mayor White requested additional citizens to address the Council.

Fred Rodriguez, applicant's spouse, explained how they came across Lockhart and about the extensive research that they conducted that determined their decision to be a developer of tiny home properties. Lockhart is a great community that they hope to offer a place for tiny homeowners to call home.

Mayor White requested additional citizens to address the Council. There were none. He closed the public hearing at 8:20 p.m.

ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2021-12 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS 5.1 ACRES IN THE BYRD LOCKHART SURVEY, ABSTRACT NO. 17, LOCATED AT 921 SILENT VALLEY ROAD (FM 2001), FROM AO AGRICULTURAL-OPEN SPACE DISTRICT AND RLD RESIDENTIAL LOW DENSITY DISTRICT, TO AO AGRICULTURAL-OPEN SPACE DISTRICT.

There was discussion.

Councilmember McGregor made a motion to approve Ordinance 2021-12, as presented. Mayor Pro-Tem Sanchez seconded. The motion failed by a vote of 3-4, with Mayor White and Councilmembers Westmoreland, Bryant and Michelson opposing.

ITEM 4-C. HOLD A PUBLIC HEARING ON APPLICATION ZC-21-06 BY KEITH SHAUER, P.E. OF DOUCET & ASSOCIATES, INC., ON BEHALF OF ROBERT A. SCHMIDT FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO 10.62 ACRES CHB COMMERCIAL HEAVY BUSINESS DISTRICT AND 91.09 ACRES RMD RESIDENTIAL MEDIUM DENSITY DISTRICT ON 101.71 ACRES IN THE ESTHER BERRY SURVEY, ABSTRACT NO. 1, LOCATED AT 2300 SOUTH COLORADO STREET (US 183).

Mayor White opened the public hearing at 8:37 p.m.

Mr. Gibson stated that the owner proposes an expansion of the existing Summerside Subdivision into the adjacent property to the north, which will include four commercial lots at the west end, with the remainder being 365 single-family residential lots. The pattern of development will be similar to the existing Summerside Subdivision, and the developments will be internally connected where existing streets are stubbed out. The major impact will be traffic generated by the four commercial lots and the 365 homes. It is likely that a right turn deceleration lane will be required where the primary subdivision street intersections FM 1322, and a center left-turn lane on Colorado Street at the primary subdivision entrance. Similar road improvements are planned for the existing Summerside Subdivision. The proposed CHB and RMD zoning classifications are consistent with the corresponding Land Use Plan map designations of the subject property. A letter of opposition was received from owners of 425 Summerside Avenue, which is a single-family dwelling on a lot abutting the subject property. Their objection is to the proposed CHB part of this zoning change, which they feared would be adjacent to their lot. However, the CHB portion, which is only along South Colorado Street, is approximately one-third of a mile away at the closest point. Mr. Gibson stated that the Planning and Zoning Commission and staff recommend approval.

Mayor White requested the applicant to address the Council.

Ken Shauer of Doucet & Associates provided information regarding the proposed development. He stated that a Traffic Impact Analysis (TIA) study will be performed for the development of the second phase of Summerside Subdivision, which they will comply. He recommended approval of the zoning change. There was discussion regarding the drainage plans for the new development.

Mayor White requested citizens in favor of or against the zoning change to address the Council. There were none. He closed the public hearing at 8:50 p.m.

ITEM 4-D. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2021-13 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS 101.71 ACRES IN THE ESTHER BERRY SURVEY, ABSTRACT NO. 1, LOCATED AT 2300 SOUTH COLORADO STREET (US 183), FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO 10.62 ACRES CHB COMMERCIAL HEAVY BUSINESS DISTRICT AND 91.09 ACRES RMD RESIDENTIAL MEDIUM DENSITY DISTRICT.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2021-13, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 5-A. DISCUSSION AND/OR ACTION TO CONSIDER MINUTES OF THE CITY COUNCIL MEETING OF MAY 18, 2021.

Mayor Pro-Tem Sanchez made a motion to approve the minutes. Councilmember Bryant seconded. The motion passed by vote of 7-0.

ITEM 5-B. DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2021-08 AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE TEXAS DEPARTMENT OF TRANSPORTATION FOR A TRANSPORTATION ALTERNATIVES GRANT TO FUND PUBLIC IMPROVEMENTS IN THE 100 BLOCK OF EAST SAN ANTONIO STREET (SH 142).

Councilmember Michelson made a motion to approve Resolution 2021-08, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 5-C. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2021-14 GRANTING TO WEST TEXAS GAS, INC., THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, INSTALL, EXTEND, REMOVE, REPLACE, ABANDON, OPERATE AND MAINTAIN ITS FACILITIES WITHIN THE PUBLIC RIGHTS-OF-WAY OF THE CITY OF LOCKHART, TEXAS FOR THE TRANSPORTATION, DELIVERY, SALE AND DISTRIBUTION OF NATURAL GAS; CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2021-14, as presented. Councilmember McGregor seconded. The motion passed by a vote of 7-0.

ITEM 5-D. DISCUSSION AND/OR ACTION TO CONSIDER A REQUEST BY ARNOLD AND MARCIA PROCTOR FOR A DETERMINATION OF ELIGIBILITY FOR A TAX ABATEMENT (TA-21-01) PURSUANT TO CHAPTER 28 "HISTORIC DISTRICTS AND LANDMARKS", DIVISION 2 "TAX ABATEMENT", OF THE LOCKHART CODE OF ORDINANCES, FOR EXTERIOR IMPROVEMENTS TO A REGISTERED HISTORIC LANDMARK SINGLE-FAMILY DWELLING LOCATED AT 515 SOUTH MAIN STREET.

Councilmember Michelson made a motion to approve the request by Arnold and Marcia Proctor for a determination of eligibility for a tax abatement pursuant to Chapter 28 “Historic Districts and Landmarks”, Division 2 “Tax Abatement”, of the Lockhart Code of Ordinances, for exterior improvements to a registered historic landmark single-family dwelling located at 515 South Main Street. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

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

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

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

- Budget workshops to be held on June 7 and 8 at 6:30 p.m.
- City pool will open on June 15, 2021.
- Movie in the Park – “Aladdin” on June 19.
- Update regarding Library events.

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

Councilmember Westmoreland thanked Caldwell County for hosting a Memorial Day service.

Councilmember Mendoza congratulated the Lockhart High School graduating class of 2021 and he thanked Caldwell County for the Memorial Day event.

Mayor Pro-Tem Sanchez expressed condolences to the families of Rachel Valdez Gomez and Yolanda Yanez Alvarez Gill for their loss. She congratulated the Lockhart High School graduating class of 2021 and wished Mayor White a Happy Belated Birthday.

Councilmember McGregor congratulated “Old Pal Texas Tavern” for recently opening downtown. She thanked the Lockhart Farmers Market for coming back to the downtown square and she reminded everyone about the upcoming Chisholm Trail Roundup.

Councilmember Bryant congratulated the Lockhart High School 2021 graduates and their families.

Councilmember Michelson congratulated Rach and Rods for a nice music on the square event and to the Lockhart High School graduates of 2021. He thanked Ty Henderson for hosting a Memorial Day walk to honor two fallen veterans from Lockhart and Caldwell County.

Mayor White thanked Councilmembers for participating in local events. He expressed condolences to the family of Dorothy Hinnenkamp for their loss. He requested feedback about whether the city would consider a request to provide in-kind services for a church event to waive security officer fees on the June 15 Council agenda. The Council requested that the item be placed on the June 15 agenda for discussion.

ITEM 8. ADJOURNMENT.

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 9:07 p.m.

PASSED and APPROVED this the 6th day of July 2021.

CITY OF LOCKHART

ATTEST”

Connie Constancio

Connie Constancio, TRMC
City Secretary

Lew White

Lew White, Mayor

