

PUBLIC NOTICE

AGENDA

LOCKHART CITY COUNCIL

TUESDAY, JULY 5, 2016

**CLARK LIBRARY ANNEX-COUNCIL CHAMBERS
217 SOUTH MAIN STREET, 3rd 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. Discuss minutes of the City Council meeting of June 21, 2016. 5-8
- B. Discuss recommendation to approve bid for tree trimming maintenance contract with The Arbor Experts of Webster, Texas, in the amount of \$32,077.00, and appointing the Mayor to sign the agreement if approved. [Form 1295=2016-07-05-15] 9-26
- C. Discuss Change Order #1 with Nighthawk Construction extending the 18" water transmission line by 295 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvement Project which will increase the contract by \$19,543.75, and authorizing the Mayor to sign all required documents if approved. 27-32
- D. Discuss Change Order #2 with Nighthawk Construction extending the 18" water transmission line by 600 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvements Project which will increase the contract with approval of Change Order #1 by an additional \$39,750, and authorizing the Mayor to sign all required documents if approved. 33-39
- E. Discuss Ordinance 2016-17 whereby the Lockhart City Council directs Texas Gas Service Company (TGS) to file a statement of intent subsequent to receiving final approval of gas utility rates in pending Gas Utilities Docket No. 1052; the TGS proposal combines the Central Texas Service Area (CTSA) and the South Texas Service Area (STSA) resulting in lower gas rates for the City of Lockhart and six other cities in the STSA. 40-60
- F. Discussion after presentation of the proposed Fiscal Year 2016-2017 budget to City Council and setting Tuesday, September 6, 2016 as the date for the Public Hearing regarding the proposed Fiscal Year 2016-2017 budget. 61
- G. Discussion regarding proposed Fiscal Year 2016-2017 General Fund Department budgets and proposed funding sources. 62-64
- H. Discussion regarding proposed Fiscal Year 2016-2017 budgets for Electric, Water, Wastewater, Solid Waste, Airport, and Emergency Services Departments and proposed funding sources. 65-67
- I. Discussion regarding presentation schedule for departmental budgets to be considered by Council. 68-69

7:30 P.M. REGULAR MEETING

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

Invocation - Ministerial Alliance.

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 not on the agenda. No discussion can be carried out on the citizen/visitor comment.)

4. CONSENT AGENDA

- A. Approve minutes of the City Council meeting of June 21, 2016. 5-8
- B. Approve recommendation to approve bid for tree trimming maintenance contract with The Arbor Experts of Webster, Texas, in the amount of \$32,077.00, and appointing the Mayor to sign the agreement if approved. [Form 1295=2016-07-05-15] 9-26
- C. Approve Change Order #1 with Nighthawk Construction extending the 18" water transmission line by 295 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvement Project which will increase the contract by \$19,543.75, and authorizing the Mayor to sign all required documents if approved 27-32
- D. Approve Change Order #2 with Nighthawk Construction extending the 18" water transmission line by 600 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvements Project which will increase the contract with approval of Change Order #1 by an additional \$39,750, and authorizing the Mayor to sign all required documents if approved. 33-39
- E. Approve Ordinance 2016-17 whereby the Lockhart City Council directs Texas Gas Service Company (TGS) to file a statement of intent subsequent to receiving final approval of gas utility rates in pending Gas Utilities Docket No. 1052; the TGS proposal combines the Central Texas Service Area (CTSA) and the South Texas Service Area (STSA) resulting in lower gas rates for the City of Lockhart and six other cities in the STSA. 40-60

5. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action for presentation of the proposed Fiscal Year 2016-2017 budget to City Council and setting Tuesday, September 6, 2016 as the date for the Public Hearing regarding the proposed Fiscal Year 2016-2017 budget. 61
- B. Discussion and/or action regarding proposed Fiscal Year 2016-2017 General Fund Department budgets and proposed funding sources. 62-64
- C. Discussion and/or action regarding proposed Fiscal Year 2016-2017 budgets for Electric, Water, Wastewater, Solid Waste, Airport, and Emergency Services Departments and proposed funding sources. 65-67
- D. Discussion and/or action regarding presentation schedule for departmental budgets to be considered by Council. 68-69
- E. Discussion and/or action regarding appointments to various boards, commissions or committees. 70-75

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

- Update- US 183 widening project, Hickory to Blackjack: west side drainage trunk main near completion between White Oak and Blackjack; curbs and sidewalks being placed.
- Update: Contracts with Qro-Mex Construction on Richland Drive.
- Update: Summer Reading Program at Library; lots of children and events.
- Update: Water crew replacing old water mains on Walnut and North Church Streets near completion.
- Update: Placement of large water main bores under SH 142 near City Line Road.
- Update: Land and building contracts with Pure Castings and Hill Country Foodworks are near completion as they finalize their retrofit designs for 2 industrial park properties.
- Report: July 5 Fireworks Event in City Park.
- Report: Planning Department continues to be very busy with re-zonings, preliminary plats, final plats, and variance requests.
- Report: Supervisors are reminding crews to have sufficient water and/or electrolytes, and to take breaks during these very hot days; also being warned to drink water in lieu of soft drinks which often contribute to dehydration.
- Report: Last Wednesday, ATT's fiber optics contractor broke a city water main on the west side of US 183 south restricting water service to the Golden Age Home and residents on Sunset Drive; repairs took about 2 ½ hours. This break caused reports of "yellow stained" water in some areas which was cured by flushing fire hydrants.

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 551.074 – 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.**

A. Discussion regarding the City Manager's contract.

9. **OPEN SESSION**

A. Discussion and/or action regarding the City Manager's contract.

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)

*** Once approved to be on the agenda, staff requests you register to speak prior to the meeting. Deadline for specific items on the agenda is Noon Tuesday prior to the Regular Meeting.**

If, during the course of the meeting, any discussion of any item on the agenda should be held in executive or closed session, the City Council 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.

Section 551.087. To deliberate or 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.

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 City Council.

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 1st day of July 2016 at 3:17 pm. I further certify that the following News Media was properly notified of this meeting as stated above: Lockhart Post-Register



Connie Constancio, TRMC
City Secretary

**LOCKHART CITY COUNCIL
REGULAR MEETING**

JUNE 21, 2016

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 Jeffry Michelson

Mayor Lew White
Councilmember Juan Mendoza
Councilmember Brad Westmoreland

Council absent:

Councilmember Benny Hilburn
Councilmember John Castillo

Staff present:

Vance Rodgers, City Manager
Peter Gruning, City Attorney
Dan Gibson, City Planner

Connie Constancio, City Secretary
Sandra Mauldin, Economic Dev. Director

Citizens/Visitors Addressing the Council: Jim Smith, Citizen.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. DISCUSS MINUTES OF THE CITY COUNCIL MEETING OF JUNE 7, 2016.

Mayor White requested corrections. There were none.

B. DISCUSSION REGARDING PLANNING AND PREPARATIONS OF THE TEXAS MUNICIPAL LEAGUE (TML) REGION 10 MEETING IN LOCKHART ON SEPTEMBER 15, 2016 AND THE BOOTH AT THE TML ANNUAL CONFERENCE IN AUSTIN ON OCTOBER 4-7, 2016.

There was discussion. Council requested that staff continue working on promotional ideas, recruit the Chambers to participate, and consider other options for the meeting and booth. Councilmembers will also provide additional recommendations for the events during the next meeting.

C. DISCUSSION AFTER REPORT BY CITY MANAGER REGARDING UPDATE OF 2015 CERTIFICATES OF OBLIGATION (CO) PROJECTS.

Mr. Rodgers provided the report. There was brief discussion.

D. DISCUSSION REGARDING THE PRELIMINARY BUDGET & TAX RATE ADOPTION CALENDAR.

There was discussion.

Mayor Pro-Tem Sanchez announced that she will be out of town during the July 5 meeting.

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 regular meeting of the Lockhart City Council to order on this date at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Invocation – Mayor White.

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 APPLICATION ZC-16-04 BY JIM SMITH FOR A ZONING CHANGE FROM CLB COMMERCIAL LIGHT BUSINESS DISTRICT TO RLD RESIDENTIAL LOW DENSITY DISTRICT FOR LOTS 4, 5, AND 6, BLOCK B, PLANTATION PARK ESTATES, LOCATED AT 1109, 1115, AND 1121 MCMILLEN BOULEVARD.

Mayor White opened the public hearing at 7:32 p.m. and requested the staff report.

Mr. Gibson stated that the applicant/owner proposes to construct a single-family dwelling on each of the three subject lots, which requires a residential zoning classification. The lots are of such size that they easily meet the standards for the requested RLD classification, and are roughly the same size as the lots on the opposite side of the street that are already zoned RLD, with two of them occupied by existing single-family dwellings. There is existing RLD zoning adjacent to the east and south of the subject property, so the proposed zoning change would simply relocate an existing zoning boundary around the three lots. The remaining lot adjacent to the north would remain zoned CLB to match the pattern on the east side of McMillen Boulevard where the northernmost lot also remains zoned CLB. Because those lots abut an arterial street, the existing CLB zoning provides an appropriate transition of zoning districts from State Park Road to the homes that would be allowed by the proposed RLD zoning. Although the requested RLD zoning classification is not consistent with the Light-Medium Commercial future land use map designation of the property, the east side of the street has already been rezoned to RLD so this additional deviation of the property, the east side of the street has already been rezoning to RLD so this additional deviation from the land use map makes sense. One letter of opposition was received from an owner of property across the street, and owners of both homes on the east side of the street spoke in opposition to the property across the street, and owners of both homes on the east side of the street spoke in opposition to the proposed zoning change at the Planning and Zoning Commission hearing. It was unclear to the Commission why the residents would prefer to have commercial zoning across their homes instead of the proposed residential zoning that would allow more homes like theirs. Mr. Gibson stated that the Planning and Zoning Commission and staff recommended approval.

There was discussion.

Mayor White requested the applicant to address the Council.

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Jim Smith, 1480 Clearfork, requested approval of the zoning change and provided information about the homes that will be built on the lots.

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. There were none.

Mayor White requested additional citizens to address the Council. There were none. He closed the public hearing at 7:42 p.m.

ITEM 4-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2016-16 AMENDING THE OFFICIAL ZONING MAP OF THE CITY OF LOCKHART, TEXAS, TO RECLASSIFY THE PROPERTY KNOWN AS LOTS 4, 5, AND 6, BLOCK B, PLANTATION PARK ESTATES, LOCATED AT 1109, 1115, AND 1121 MCMILLEN BOULEVARD, FROM CLB COMMERCIAL LIGHT BUSINESS DISTRICT TO RLD RESIDENTIAL LOW DENSITY DISTRICT.

Councilmember Michelson made a motion to approve Ordinance 2016-16, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 5-0.

ITEM 5-A. DISCUSSION AND/OR ACTION REGARDING MINUTES OF THE CITY COUNCIL MEETING OF JUNE 7, 2016.

Mayor Pro-Tem Sanchez made a motion to approve the June 7, 2016 Council minutes. Councilmember Westmoreland seconded. The motion passed by a vote of 5-0.

ITEM 5-B. DISCUSSION AND/OR ACTION REGARDING PLANNING AND PREPARATIONS OF THE TEXAS MUNICIPAL LEAGUE (TML) REGION 10 MEETING IN LOCKHART ON SEPTEMBER 15, 2016 AND THE BOOTH AT THE TML ANNUAL CONFERENCE IN AUSTIN ON OCTOBER 4-7, 2016.

Mayor White stated that the Council provided direction to Ms. Constancio to report additional information at a future meeting. Councilmembers will also report how they can assist.

ITEM 5-C. DISCUSSION AND/OR ACTION AFTER REPORT BY CITY MANAGER REGARDING UPDATE OF 2015 CERTIFICATES OF OBLIGATION (CO) PROJECTS.

Mayor White announced that the report was given during the work session. There was no action taken.

ITEM 5-D. DISCUSSION AND/OR ACTION REGARDING THE PRELIMINARY BUDGET & TAX RATE ADOPTION CALENDAR.

Mayor Pro-Tem Sanchez made a motion to approve the preliminary budget and tax rate adoption calendar. Councilmember Michelson seconded. The motion passed by a vote of 5-0.

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

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

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

- Update- US 183 widening project, Hickory to Blackjack: west side drainage truck main started between Hickory and Blackjack; some rain delays.

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- Update: Contracts with Qro-Mex Construction on Richland Drive.
- Update: Summer Reading Program at Library.
- Update: Leaks in exterior brick walls at Clark Library Annex.
- Update: Water crew replacing and put in new water mains on Walnut and North Church Streets.
- Report: Chisholm Trail Annual Parade and Event.
- Report: Juneteenth Event at City Park.
- Report: June 15 Meeting with group interested in forming "Friends of Lockhart Cemeteries".
- Fireworks Show at City Park on Sunday, July 3.

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

Councilmember Mendoza thanked all involved with the successful Chisholm Trail Roundup. He also thanked all for the successful Juneteenth event and Movies in the Park.

Mayor Pro-Tem Sanchez congratulated the Lockhart Chamber of Commerce for a successful Chisholm Trail Roundup. She wished all a safe and happy 4th of July.

Councilmember Michelson also congratulated the Lockhart Chamber of Commerce for a successful Chisholm Trail Roundup and wished all a safe and happy 4th of July.

Mayor White thanked all involved with the Chisholm Trail Roundup and Juneteenth events. He wished all a safe and happy 4th of July.

ITEM 8. ADJOURNMENT.

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 5-0. The meeting was adjourned at 7:58 p.m.

PASSED and APPROVED this the 5th day of July 2016.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Connie Constancio, TRMC
City Secretary



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Dates: July 5, 2016					
Department: City Manager				Initials	Date
Department Head: Vance Rodgers		Asst. City Manager			
Dept. Signature: <i>[Signature]</i>		City Manager		<i>[Signature]</i>	6-30-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers					
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER					
CAPTION					
Discussion and/or action regarding recommendation to approve bid for tree trimming maintenance contract with The Arbor Experts of Webster, Texas, in the amount of \$ 32,077.00, and appointing the Mayor to sign the agreement if approved					
FINANCIAL SUMMARY					
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED					
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS	
Budget				\$0.00	
Budget Amendment Amount				\$0.00	
Encumbered/Expended Amount				\$0.00	
This Item				\$0.00	
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00	
FUND(S): FY 15-16 Budget					
SUMMARY OF ITEM					
Public bids were advertised for tree trimming maintenance around high voltage electric lines in accordance with state law. This service helps prevent electrical outages caused by tree limbs in the primary lines. Although 3 companies expressed interest, only one bid was received. The tasks involve providing supervision, personnel, equipment, and traffic control to trim trees, treat the exposed cuts, and removing all cut limbs. The Arbor Experts of Webster, Texas, submitted a bid for \$32,077.00. The company has not done work for the City of Lockhart in the past, and the three references checked were very favorable. The company has the experienced personnel and equipment and has provided proof of general liability and workers' compensation coverage.					
STAFF RECOMMENDATION					
Bob Leos, Electric Supt, and City Manager respectfully request of approval of the bid from The Arbor Experts.					
List of Supporting Documents: Public Bid, Bid Package, and Bid Submittal				Other Departments, Boards, Commissions or Agencies:	



CITY OF LOCKHART- ELECTRIC DEPARTMENT

MAINTENANCE: TREE TRIMMING (FY 15-16)

GENERAL SPECIFICATIONS, BID DOCUMENT, AND AGREEMENT

Contractor Must Provide:

1. Proof of General Liability Insurance and Workers Compensation Insurance naming City as co-insured if awarded
2. Contractor must provide at least three contract tree trimming references with their contact information.
3. Sufficient supervision, personnel and equipment on site to complete all tasks
4. Proper signage and traffic control personnel
5. Proper tools and equipment to perform work
6. A stationary site to park equipment and material if needed
7. Personnel and Supervision to follow Ansi A 300 standard rules
8. Supervision to avoid damages to customers' properties associated with tree trimming activities.

*The City of Lockhart will not be responsible for any negligence (tree trimming or otherwise) caused by the tree trimming company hired by the City of Lockhart

The City of Lockhart reserves the right to reject any and all bids

Contractor Company Name: The Arbor Experts Telephone: (281)724-5455
 Address: 3118 FM528 #333 Webster, TX 77598
Street or Mailing City, State-Zip

Total Bid Price (Numerical): \$ 32,077.⁰⁰ Total Bid Price for specified 105 locations with approximately 6,295 linear feet of trimming

Bid Written Out:

Thirty two thousand seven Dollars and 00/100 Cents

Authorized Signature: [Signature] Date: 6/27/2016

Print Name: Rocio Jasso

Note: Linear feet of trimming and bid may be reduced by up to 25%.

Return to: City of Lockhart, Attention: City Manager, P.O. Box 239, Lockhart, Texas 78644 by the specified time and date or have it delivered to City Hall, 308 W. San Antonio Street during normal business hours. Envelopes containing bids should be externally marked "Tree Trimming".

Questions may be directed to Bob Leos, Electric Superintendent, at 512-398-6117 during normal business hours.

ACCEPTANCE BY CITY OF LOCKHART

Date Approval by City Council: _____

Name: _____ Date: _____

Mayor Lew White

KOCIO JASSO

President



The Arbor Experts

"It's all about the people"

Tel: 281-724-5455

Fax: 888-617-2286

Cell: 832-425-8044

rjasso@TheArborExperts.com

www.TheArborExperts.com

3118 FM 528 # 333; Webster, TX 77598



The Arbor Experts

June 27, 2016

City of Lockhart
Attention: City Manager
308 West San Antonio St.
Lockhart, TX 78644

RE: Tree Trimming Bids

BID SHEET

Please accept our bid for tree trimming of 206 trees.

Contractor Company Name: The Arbor Experts, LLC Telephone: 281-724-5455

Address: 3118 FM528 # 333 Webster, TX 77598

Total Bid Price Written Out

Total Bid Price for Specified 206 Trees 105 Locations

\$32,077.00

Authorized Signature: _____

Date: 06-27-2016

Print name: Rocio Jasso

Thank you for considering our bid to provide you with tree trimming services. We appreciate your continued support.

3118 FMS28 # 333 Webster, TX 77598 * Phone: 281-724-5455 Fax: 888-617-2286
info@thearborexperst.com www.thearborexperst.com

cl

Vance Rodgers

Subject: RE: The Arbor Experts (Tree Trimming Bids)

From: Bobby Leos
Sent: Wednesday, June 29, 2016 3:06 PM
To: Vance Rodgers
Subject: The Arbor Experts (Tree Trimming Bids)

Vance,
The Arbor Experts was the only bid received for our yearly tree trimming contract. They had last year's bid for the first time and they did an outstanding job for us.

They were very safe, notified customers ahead of time, and cleaned up very well, We are fortunate to have them work for us again.

I recommend approval of their bid which came in under our budget.

Bob Leos
Electric Superintendent

Request for Bids

The City of Lockhart is receiving bids until 11:00 a.m. Wednesday, June 29, 2016, at City Hall, 308 W. San Antonio Street, for the following:

To trim trees at locations specified away from 7200 volt primary lines, 220 volt residential secondary services, and commercial businesses services, to a minimum of three feet (3 ft) unless approved by the Electric Superintendent. The estimated linear footage of trimming is 6,295. Contract may be reduced up to 25% in compliance with State Law. The contractor must provide sufficient signage, supervision, 3 personnel, reliable equipment, at least a 55 ft bucket truck and any required materials to trim, clean all saw blades before next tree cut, paint, chip limbs and clean up areas. Contractors must find a stationary site to park equipment and place materials if needed. Contractor must provide proof of general liability insurance and workers' compensation insurance naming the City of Lockhart as a co-insured entity. Contractor must follow Ansi A Standard rules. Contractor must also provide at least three contract tree trimming work references with their contact information.

Bid general specifications package may be picked up at City Hall located at 308 West San Antonio Street during normal business hours or obtained on the City of Lockhart website.

Bids may be mailed or delivered to 308 West San Antonio St., Lockhart, and Tx. 78644. Envelopes containing bids should be externally marked "Tree Trimming". Bids not received by the stated date and time above will be returned unopened. The City reserves the right to reject any and all bids.

Questions may be directed to Bob Leos, Electric Dist. Supt. at 398-6117 during normal business hours.



REFERENCES

Company Name	Complete Address	Contact Person's Name	Phone #	Description
Oncor Electric Delivery	Oncor Vegetation Management 611 E. Tyler St. Athens, TX 75751	Bruce Moore Bruce.Moore@oncor.com	903-677-6231	Right of Way Clearing / Transmission Projects
4County Electric Coop	5265 S. Frontage Road Columbus, MS 39701	Billy Kelly kellyb@4county.org	662-386-7448	Right of Way Clearing
Pedernales Electric	P.O. Box 1 Johnson City, Texas 78636	George Leader George.Leader@pecl.com	830-613-7334	Right of Way Clearing / Distribution & Transmission

DESCRIPTIONS (Continued from Page 1)

by written contract. The General Liability policy contains an endorsement with primary and non-contributory wording (CG 20 01 04 13) and Auto coverage is primary to the insured with respect to all Owned vehicles of the insured. Commercial Umbrella "Follows Form" as per policy provision. Workers Compensation coverage applies to TX, AR*, GA*, LA*, MS*, NC*, and TN*.

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GOEX

Express

RECEIVED
CITY OF LOCKHART

JUN 28 2018

RCVD. BY: *E. Cash*
TIME RECVD: *3PM (left on
Reception Desk)*

LOCKHART CARPENTERS
envelope shipping

Envelope

17

BID OPENING

DATE: June 29, 2016 TIME: 11:00 AM PLACE: City Hall

PROJECT: FY 15-16 Maintenance Tree Trimming

Company Name	Company Address	Company Phone & Fax	Date & Time	Dollar Amount Bided	Date Plans/ Bid Packet Picked Up	Check or M.O. #	Date Plans Returned (Deposit Refunded)	Signature *For Deposit Refund*
Rocio Jasso	3118 FM 528 #282 Webster TX 75988	Ph: 281-724-5155 Fx:	6/28/16 3PM					
		Ph:						
		Fx:						
		Ph:						
		Fx:						
		Ph:						
		Fx:						
		Ph:						
		Fx:						
		Ph:						
		Fx:						



***ELECTRIC
DEPARTMENT***

**MAINTENANCE
TREE TRIMMING**

(FY 15-16)

**GENERAL SPECIFICATIONS,
BID DOCUMENT, and AGREEMENT**

Bid Date and Time Deadline:

**Bids will be open on Wednesday, June 29,
2016, at 11:00 a.m. at City Hall, 308 West
San Antonio Street.**

Contents:

Public Bid
Contract General Specifications, Bid Document, and Agreement
Insurance Requirements and General Scope of Work
Locations and approximate linear feet of trimming by location
References

Request for Bids

The City of Lockhart is receiving bids until 11:00 a.m. Wednesday, June 29, 2016, at City Hall, 308 W. San Antonio Street, for the following:

To **trim trees** at locations specified away from 7200 volt primary lines, 220 volt residential secondary services, and commercial businesses services, to a minimum of three feet (3 ft) unless approved by the Electric Superintendent. The estimated linear footage of trimming is 6,295. Contract may be reduced up to 25% in compliance with State Law. The contractor must provide sufficient signage, supervision, 3 personnel, reliable equipment, at least a 55 ft bucket truck and any required materials to trim, clean all saw blades before next tree cut, paint, chip limbs and clean up areas. Contractors must find a stationery site to park equipment and place materials if needed. Contractor must provide proof of general liability insurance and workers' compensation insurance naming the City of Lockhart as a co-insured entity. Contractor must follow Ansi A Standard rules. Contractor must also provide at least three contract tree trimming work references with their contact information.

Bid general specifications package may be picked up at City Hall located at 308 West San Antonio Street during normal business hours or obtained on the City of Lockhart website.

Bids may be mailed or delivered to 308 West San Antonio St., Lockhart, and Tx. 78644. Envelopes containing bids should be externally marked "Tree Trimming". Bids not received by the stated date and time above will be returned unopened. The City reserves the right to reject any and all bids.

Questions may be directed to Bob Leos, Electric Dist. Supt. at 398-6117 during normal business hours.



CITY OF LOCKHART- ELECTRIC DEPARTMENT

MAINTENANCE: TREE TRIMMING (FY 15-16)

GENERAL SPECIFICATIONS, BID DOCUMENT, AND AGREEMENT

Contractor Must Provide:

1. Proof of General Liability Insurance and Workers Compensation Insurance naming City as co-insured if awarded
2. Contractor must provide at least three contract tree trimming references with their contact information.
3. Sufficient supervision, personnel and equipment on site to complete all tasks
4. Proper signage and traffic control personnel
5. Proper tools and equipment to perform work
6. A stationary site to park equipment and material if needed
7. **Personnel and Supervision to follow Ansi A 300 standard rules**
8. Supervision to avoid damages to customers' properties associated with tree trimming activities.

*The City of Lockhart will not be responsible for any negligence (tree trimming or otherwise) caused by the tree trimming company hired by the City of Lockhart

The City of Lockhart reserves the right to reject any and all bids

Contractor Company Name: _____ Telephone: _____

Address: _____
Street or Mailing City, State-Zip

Total Bid Price for specified 105 locations with approximately 6,295 linear feet of trimming

Total Bid Price (Numerical) : \$ _____.

Bid Written Out:

_____ Dollars and _____ Cents

Authorized Signature: _____ **Date:** _____

Print Name: _____

Note: Linear feet of trimming and bid may be reduced by up to 25%.

Return to: City of Lockhart, Attention: City Manager, P.O. Box 239, Lockhart, Texas 78644 by the specified time and date or have it delivered to City Hall, 308 W. San Antonio Street during normal business hours. Envelopes containing bids should be externally marked "Tree Trimming".

Questions may be directed to Bob Leos, Electric Superintendent, at 512-398-6117 during normal business hours.

ACCEPTANCE BY CITY OF LOCKHART

Date Approval by City Council: _____

Name: _____ Date: _____

Mayor Lew White



CITY OF LOCKHART- ELECTRIC DEPARTMENT

MAINTENANCE: TREE TRIMMING (FY 15-16)

GENERAL SPECIFICATIONS, BID DOCUMENT, AND AGREEMENT

Contractor Must Provide the Following Insurance and Bonds

- General Liability

Each Occurrence	\$ 500,000
Personal & Adv. Injury	\$ 500,000
General Aggregate	\$ 500,000
Products	\$ 500,000
- Automobile Liability

Bodily per person	\$ 500,000
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- Workers Compensation

Each Accident	\$ 500,000
Disease (Each Employee)	\$ 500,000
Disease Policy Limit	\$ 500,000
- All above must name City of Lockhart as additional insured
Separate Performance/Payment Bonds

Pay Item
"TREE TRIMMING"

General Scope of Work

- Contractor to provide sufficient signage, supervision, personnel, equipment and any required materials to trim, sanitize saw blades before next tree cut, paint, leave notices and chip limbs trimmed away from 7200 volt lines and secondary services going to customers residences or commercial building's, of a minimum of three feet (3 ft) unless authorized, by the electric superintendent to cut the limbs, back more. Contractor shall follow Ansi A 300 standard rules.
1. Place and maintain appropriate signage
 2. Have equipment and employees that is reliable and safe and clean all saw blades with Clorox before cutting next tree.
 3. To clean up the area you cut limbs in the customer's yard and City streets and City right of ways.
 4. Must exhibit good customer service practices when dealing with residents and the public. Leave notices if no one is home with appropriate phone numbers.
 5. Follow Ansi A 300 standard rules

It is the responsibility of the contractor to visually inspect all trees after cutting them to be sure all limbs have been painted, loose cut limbs removed, and all debris has been picked up before moving to next work location.

2015 - 16 Tree Trimming for Contractors

1 Phase	3 Phase	# of trees	Est Footage	Address
	1	1	34 ft.	409 W. San Antonio st.
	1	1	60 ft.	499 " " " "
	1	1	41 ft.	531 " " " "
	1	1	37 ft.	625 " " " "
	1	1	54 ft.	815 " " " "
	1	1	34 ft.	817 " " " "
	1	1	55 ft.	901 " " " "
	1	1	26.5 ft.	917 " " " "
	1	2	90.5 ft.	919 " " " "
	1	2	61 ft.	1309 " " "
	1	1	44.5 ft.	1319 " " "
	1	1	34 ft.	1401 " " "
	1	1	34.5 ft.	1403 " " "
	1	2	98 ft.	1405 " " "
	1	2	64 ft.	1413 " " "
	1	1	46 ft.	1419 " " "
	1	2	81.5 ft.	1404 W. Clearfork st.
	1	2	66 ft.	1320 " " " "
	1	14	280.5 ft.	1318 " " " "
	1	2	88 ft.	1319 " " " "
	1	1	50.5 ft.	1310 " " " "
1		1	41 ft.	808 Vogel Dr.
1		1	52 ft.	814" " " "
1		6	119 ft.	922" " " "
1		2	85 ft.	912 Merriet Dr.
1		1	35 ft.	812 " " " "
1		1	31 ft.	810 " " " "
1		1	26.5 ft.	806 " " " "
1		1	39 ft.	804 " " " "
1		1	24 ft.	790 " " " "
	1	1	25 ft.	949 W. Plum st. (rear of property)
	1	1	15.5 ft.	1001 " " " "
	1	1	41 ft.	1201 " " " "
	1	3	77 ft.	1215 " " " "
	1	1	23 ft.	1223 " " " "
	1	1	27.5 ft.	415 Concho st.
	1	1	52 ft.	1106 W. Prairie Lea st.
	1	1	49.5	1110 " " " "
	1	3	132 ft.	1202 " " " "

1 Phase	3 Phase	# of trees	Est Footage	Address
1		1	35 ft.	905 Travis st. (rear of property)
1		1	25 ft.	907 " " " "
1		1	18 ft.	923 Center st.
	1	1	15 ft.	738 S. Commerce st.
	1	1	14.5 ft.	734 " " " "
	1	3	110 ft.	720 " " " "
	1	2	61.5 ft.	401 " " " "
	1	1	39.5 ft.	521 Bois D'Arc st.
	1	1	61 ft.	531 " " " "
	1	2	50 ft.	603 " " " "
	1	1	42 ft.	635 " " " "
	1	2	71.5 ft.	725 " " " "
	1	1	42 ft.	731 " " " "
	1	1	23 ft.	801 " " " "
	1	2	67.5 ft.	807 " " " "
	1	1	45 ft.	1201 " " " "
	1	1	39 ft.	1215 " " " "
	1	1	38.5 ft.	1223 " " " "
	1	1	32 ft.	604 N. Pecos st.
1		3	35 ft.	605 Loma st.
	1	2	67.5 ft.	1100 Silent Valley Rd.
	1	2	71 ft.	" " " " "
	1	2	32 ft.	Front of lot 101
	1	1	18 ft.	" " lot 94
	1	1	21 ft.	" " lot 91
	1	2	60.5 ft.	Between Green & Silent Vall Rd.
	1	1	22 ft.	Corner of Green & Silent Valley Rd.
	1	3	61 ft.	Between Pecos & Green st.
	1	3	134.5 ft.	Between Pecos & Hondo st.
	1	1	57 ft.	Across from Legion st.
East side of Town				
	1	1	45.5 ft.	1405 Black Jack st.
	1	1	23 ft.	1403 " " " "
	1	2	68.5 ft.	Corner of Torres & 20 East
	1	1	45 ft.	1404 Trinity st.
	1	2	43.5 ft.	502 Ruddy st. (rear of property)
	1	1	23 ft.	504 " " " "
	1	1	36 ft.	820 4th st. (east side of house)
1		3	97 ft.	820 4th st. (front of house)
1		2	69 ft.	1119 " " " "
1		2	33 ft.	1112 " " " "

1 Phase	3 Phase	# of trees	Est Footage	Address
1		3	75 ft.	1401 5th st. (rear of property)
	1	1	29 ft.	Corner of Chihuahua & First st.
	1	1	31 ft.	751 " " " "
	1	2	59 ft.	831 Reyes st.
	1	1	47 ft.	807 " " " "
	1	2	62 ft.	705 " " " "
1		1	25 ft.	605 Pearl st.
1		2	72.5 ft.	507 Neches st.
1		1	53 ft.	510 San Saba st.
1		2	63 ft.	603 " " " "
	1	1	41 ft.	614 E. Live Oak st.
	1	1	64.5 ft.	602 " " " "
	1	3	52 ft.	Corner of Aransas & White Oak st.
	1	2	98 ft.	611 S. Brazos st.
	1	3	124 ft.	1387 E. Market st.
	1	2	62 ft.	611 " " " "
	1	2	36 ft.	607 " " " "
1		5	104 ft.	1003 Luanne Ln. (rear of property)
1		4	67 ft.	1001 " " " "
	1	1	15 ft.	349 Old McMahon Rd. (rear of property)
	1	1	25 ft.	
	1	7	135 ft.	412 Carver st.
	1	5	101 ft.	Across from Carver Elem. School
	1	8	126 ft.	Carver st. north of Market st.
	1	3	145 ft.	2001 State Park Rd.
	1	1	14 ft.	1907 " " " "
	1	10	398 ft.	1201 " " " "

206 trees

105 locations

6294.5 ft.



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance <input type="checkbox"/> Yes <input type="checkbox"/> Not Applicable		Reviewed by Legal <input type="checkbox"/> Yes <input type="checkbox"/> Not Applicable
Council Meeting Dates: July 5, 2016			
Department: City Manager		Initials	Date
Department Head: Vance Rodgers	Asst. City Manager		
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>AA</i>	6-30-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input checked="" type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER			
CAPTION			
Discussion and/or action regarding Change Order # 1 with Nighthawk Construction extending the 18" water transmission line by 295 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvement Project which will increase the contract by \$19,543.75, and authorizing the Mayor to sign all required documents if approved			
FINANCIAL SUMMARY			
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED			
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS
Budget			\$0.00
Budget Amendment Amount			\$0.00
Encumbered/Expended Amount			\$0.00
This Item			\$0.00
BALANCE	\$0.00	\$0.00	\$0.00
FUND(S): CDBG Funds			
SUMMARY OF ITEM			
Change Order # 1 extends by 295 linear feet the amount of 18" water transmission line to be placed under the current contract with Nighthawk Construction at a cost of \$19,543.75. CDBG Funds will cover these costs.			
STAFF RECOMMENDATION			
City Manager and City Engineer respectfully request approval of Change Order # 1 in the amount of \$19,543.75.			
List of Supporting Documents: Previous approval of Nighthawk Contract, Change Order # 1		Other Departments, Boards, Commissions or Agencies:	

A505

**Texas Department of Agriculture
Construction Contract Change Order**

Owner (Contractor Locality): (Name & Address) City of Lockhart 308 W. San Antonio Lockhart, Texas 78644		Contract For (project description): 2015 CDBG Water Improvements		Region: CAPCOG TxCDBG Contract No. 7215300 Change Order No. 1		
Contractor: (Name & Address) Nighthawk Construction, LLC 1420 S. Commerce Street Lockhart, Texas 78644			Engineer: (Name & Address) TRC Engineers, Inc. 505 East Huntland Drive, Suite 250 Austin, Texas 78752			
Grant Recipient is requesting TDA review to determine eligibility of change order expenses.						
Changes to Existing Line Items (Items from original bid or added in previous change order only)						
Bid Item#	Item Description	Current Quantity	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price
P.3	18" C905 DR 18 PVC Pipe	2,400	LF	\$82.75	295	\$18,511.25
P.10	OSHA Trench Excavation Protection	2,400	LF	\$3.50	295	\$1,032.50
New Items Requested (Items without a unit price in the original bid) Provide Explanation (attach separate documentation if necessary):						
Bid Item#	Item Description	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price	
Change in Contract Price			Change in Contract Time			
Original Contract Price:		\$ 249,157.48	Original Contract Time:		90 days	
Previous Change Order(s) No. 0 to No. 0		\$ 0.00	Net Change From Previous Change Orders		0 days	
Contract Price Prior to this Change Order		\$ 249,157.48	Contract Time Prior to this Change Order		90 days	
Net Increase of this Change Order		\$ 19,543.75	Net Increase/Decrease of this Change Order		0 days	
Contract Price With all Approved Change Orders		\$ 268,701.23	Contract Time With all Approved Change		90 days	
Cumulative % Change in Contract Price*		7.84%				

Notice: *Generally, a cumulative change in the contract price in excess of 25% will not be approved. If the change order causes an increase/decrease of at least \$50K, the governing body of the Grant Recipient must approve the change order.

** Reimbursement of costs submitted in this change order are subject to approval by the Department.

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JUSTIFICATION FOR CHANGE	Increase	Decrease	No Change
1. Effect of this change on scope of work:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Effect on operation and maintenance costs:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No	N/A
3. Will this Change Order change the number of beneficiaries or TxCDBG contract Performance Statement Exhibit A? If yes, please attach TxCDBG contract Performance Statement modification request.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction? If "Yes", is an Environmental Re-assessment required?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5. Is the TCEQ clearance still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are other TxCDBG contractual special condition clearance still valid? (if no, specify):	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7. If new items are included that were not included in the competitive bid, have the prices been determined to be reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

GRANT RECIPIENT APPROVAL - Required Signature before TDA approval
 (Note: If this change order is greater than \$50K, signature by the Grant Recipient represents evidence that such approval from the governing body has been obtained by the City/County)

Signature: _____ Title: _____ Date: _____

<p>ENGINEER'S RECOMMENDATION:</p> <p>By: <u><i>Vance Rodgers</i></u> (Authorized Signature)</p> <p>Date: <u>6/29/16</u></p>	<p>CONTRACTOR'S AUTHORIZATION:</p> <p>By: <u><i>[Signature]</i></u> (Authorized Contractor Signature)</p> <p>Date: <u>6-29-16</u></p> <p style="text-align: center;">OR</p> <p><i>I hereby acknowledge that the original price of this contract has been decreased by at least 18 percent or more (counties)/ more than 25 percent (cities) and I hereby consent to such decrease in the original contract price.</i></p> <p>By: _____ (Authorized Contractor Signature)</p> <p>Date: _____</p>
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To receive an email copy of the TDA response, provide information below:

	Name	Email address
Grant Recipient	Vance Rodgers	vrodgers@lockhart-tx.org
Admin Consultant	Phillip Ruiz	phillipr@ccaustin.com
Engineering Consultant	Charles W. Scheler, P.E.	cscheler@trcsolutions.com

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For office use only:	Eligible Change Order	
Net Increase/Decrease of this Change Order Requested	\$ _____	Net Increase/Decrease of this Change Order Requested _____ days
Net Increase/Decrease of this Change Order Approved	\$ _____	Net Increase/Decrease of this Change Order Approved _____ days
Contract Price With all Approved Change Orders	\$ _____	Contract Time With all Approved Change Orders _____ days
Notes:		
Regional Coordinator _____		Date _____
Manager _____		Date _____

**CONTRACT CHANGE ORDER NO. 1 - ATTACHMENT
2015 CDBG WATER IMPROVEMENTS
TXCDBG CONTRACT NO. 7215300**

**OWNER: CITY OF LOCKHART
CONTRACTOR: NIGHTHAWK CONSTRUCTION, LLC
ENGINEER: TRC ENGINEERS, INC.
JUNE 28, 2016**

Item No.	Item Description	Contract Quantity	Units	Unit Price	Contract Amount	Quantity (+) Increase (-) Decrease	Amount (+) Increase (-) Decrease	Revised Quantity	Units	Revised Amount
P.1	6" DI Fire Hydrant Leads	5	LF	\$185.80	\$929.00		\$0.00	5		\$929.00
P.2	12" C900 DR18 PVC Pipe	6	LF	\$161.33	\$967.98		\$0.00	6		\$967.98
P.3	18" C905 DR 18 PVC Pipe	2,400	LF	\$62.75	\$150,600.00	295	\$18,511.25	2,695		\$169,111.25
P.4	Fire Hydrants	1	EA	\$5,543.00	\$5,543.00		\$0.00	1		\$5,543.00
P.5	DI Main Line Fittings	1	TON	\$6,411.00	\$6,411.00		\$0.00	1		\$6,411.00
P.6	6" AWWA C515 Gate Valve	1	EA	\$1,490.00	\$1,490.00		\$0.00	1		\$1,490.00
P.7	18" AWWA C504 Butterfly Valve	3	EA	\$4,296.00	\$12,888.00		\$0.00	3		\$12,888.00
P.8	Tapping Sleeve 12"x12"	1	EA	\$8,396.00	\$8,396.00		\$0.00	1		\$8,396.00
P.9	Tapping Sleeve 24"x18"	1	EA	\$23,275.00	\$23,275.00		\$0.00	1		\$23,275.00
P.10	OSHA Trench Excavation Protection	2,400	LF	\$3.50	\$8,400.00	295	\$1,032.50	2,695		\$9,432.50
P.11	Pollution Prevention Plan	1	LS	\$2,300.00	\$2,300.00		\$0.00	1		\$2,300.00
P.A.1	18" C905 DR 18 PVC Pipe	422	LF	\$62.75	\$26,480.50		\$0.00	422		\$26,480.50
P.A.2	OSHA Trench Excavation Protection	422	LF	\$3.50	\$1,477.00		\$0.00	422		\$1,477.00
ORIGINAL CONTRACT AMOUNT					\$249,157.48					
NET CONTRACT INCREASE							\$19,543.75			
TOTAL REVISED CONTRACT AMOUNT										\$268,701.23



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: June 7, 2016				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature:		City Manager		5-31-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input checked="" type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding recommended bid award to Nighthawk Construction of Lockhart, Texas, for installation of 18" water transmission main from the Lockhart Water Treatment Plant for approximately 2,800 linear feet, including addendum footage, to the west in the amount of \$ 249,157.50, and authorizing the Mayor to sign all contractual documents if approved				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S): 2015 CDBG Water Improvements Grant \$269,000				
SUMMARY OF ITEM				
Bid advertisements in compliance with State Law were sought for the installation of approximately 2,800 linear feet of 18" water transmission line, including addendum for additional footage. Nineteen companies expressed interest in the project, but only 8 submitted bids. Bids ranged from \$319,208 to the low bid of \$249,157.50 as submitted by Nighthawk Construction of Lockhart. The company has been in business six years in Lockhart performing site work including the installation of utilities. The foreman for the project has more 20 years of verifiable utility line experience. References for the company were very good.				
STAFF RECOMMENDATION				
City Manager and City Engineer respectfully request of the bid award as recommended.				
List of Supporting Documents: Advertisement, Bid Tab, History Information		Other Departments, Boards, Commissions or Agencies:		



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: July 5, 2016				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature: <i>Vance Rodgers</i>		City Manager		<i>[Signature]</i> 6-30-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input checked="" type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding Change Order # 2 with Nighthawk Construction extending the 18" water transmission line by 600 linear feet under the 2015 Community Development Block Grant (CDBG) Water Improvement Project which will increase the contract with approval of Change Order #1 by an additional \$39,750, and authorizing the Mayor to sign all required documents if approved				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S) 2015 CO Water Project Funds				
SUMMARY OF ITEM				
Change Order # 2 extends by 600 linear feet the amount of 18" water transmission line under the current Nighthawk Construction contract (after approval of Change Order #1) by \$39,750. The total contract increase proposed with Change Orders #1 and #2 being approved will be 23.8%; State Law allows up to 25% without additional bidding. 2015 CO Water Project Funds will cover these costs.				
STAFF RECOMMENDATION				
City Manager and City Engineer respectfully request approval of Change Order # 2 in the amount of \$39,750.				
List of Supporting Documents: Previous approval of Nighthawk Contract, Change Order #2		Other Departments, Boards, Commissions or Agencies:		

A505


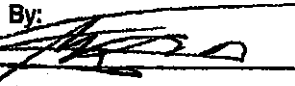
**Texas Department of Agriculture
Construction Contract Change Order**

Owner (Contractor Locality): (Name & Address) City of Lockhart 308 W. San Antonio Lockhart, Texas 78644		Contract For (project description): 2015 CDBG Water Improvements		Region: CAPCOG TxCDBG Contract No. 7215300 Change Order No. 2		
Contractor: (Name & Address) Nighthawk Construction, LLC 1420 S. Commerce Street Lockhart, Texas 78644			Engineer: (Name & Address) TRC Engineers, Inc. 505 East Huntland Drive, Suite 250 Austin, Texas 78752			
Grant Recipient is requesting TDA review to determine eligibility of change order expenses.						
Changes to Existing Line Items (Items from original bid or added in previous change order only)						
Bid Item#	Item Description	Current Quantity	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price
P.3	18" C905 DR 18 PVC Pipe	2,695	LF	\$62.75	600	\$37,650.00
P.10	OSHA Trench Excavation Protection	2,695	LF	\$3.50	800	\$2,100.00
New Items Requested (Items without a unit price in the original bid) Provide Explanation (attach separate documentation if necessary):						
Bid Item#	Item Description	Unit	Unit Price	Change in Quantity (+/-)	Change in Contract Price	
Change in Contract Price			Change in Contract Time			
Original Contract Price:		\$ 249,157.48	Original Contract Time:		90 days	
Previous Change Order(s) No. 1 to No. 1		\$ 19,543.75	Net Change From Previous Change Orders		0 days	
Contract Price Prior to this Change Order		\$ 268,701.23	Contract Time Prior to this Change Order		90 days	
Net Increase of this Change Order		\$ 39,750.00	Net Increase/Decrease of this Change Order		0 days	
Contract Price With all Approved Change Orders		\$ 308,451.23	Contract Time With all Approved Change		90 days	
Cumulative % Change in Contract Price*		23.8%				

Notice: *Generally, a cumulative change in the contract price in excess of 25% will not be approved. If the change order causes an increase/decrease of at least \$50K, the governing body of the Grant Recipient must approve the change order.

** Reimbursement of costs submitted in this change order are subject to approval by the Department.

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JUSTIFICATION FOR CHANGE	Increase	Decrease	No Change
1. Effect of this change on scope of work:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2. Effect on operation and maintenance costs:	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Yes	No	N/A
3. Will this Change Order change the number of beneficiaries or TxCDBG contract Performance Statement Exhibit A? If yes, please attach TxCDBG contract Performance Statement modification request.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Has this change created new circumstances or environmental conditions which may affect the project's impact, such as concealed or unexpected conditions discovered during actual construction? If "Yes", is an Environmental Re-assessment required?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Is the TCEQ clearance still valid?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Are other TxCDBG contractual special condition clearance still valid? (If no, specify):	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. If new items are included that were not included in the competitive bid, have the prices been determined to be reasonable?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
GRANT RECIPIENT APPROVAL - Required Signature before TDA approval (Note: If this change order is greater than \$50K, signature by the Grant Recipient represents evidence that such approval from the governing body has been obtained by the City/County)			
Signature: _____ Title: _____ Date: _____			
ENGINEER'S RECOMMENDATION: By:  (Authorized Signature) Date: <u>6/29/16</u>		CONTRACTOR'S AUTHORIZATION: By:  (Authorized Contractor Signature) Date: <u>6-29-16</u> OR <i>I hereby acknowledge that the original price of this contract has been decreased by at least 18 percent or more (counties)/ more than 25 percent (cities) and I hereby consent to such decrease in the original contract price.</i> By: _____ (Authorized Contractor Signature) Date: _____	
To receive an email copy of the TDA response, provide information below:			
	Name	Email address	
Grant Recipient	Vance Rodgers	vrodgers@lockhart-tx.org	
Admin Consultant	Philip Ruiz	phillpr@ccaustin.com	
Engineering Consultant	Charles W. Scheler, P.E.	cscheler@trcsolutions.com	

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For office use only:	Eligible Change Order	
Net Increase/Decrease of this Change Order Requested	\$ _____	Net Increase/Decrease of this Change Order Requested _____ days
Net Increase/Decrease of this Change Order Approved	\$ _____	Net Increase/Decrease of this Change Order Approved _____ days
Contract Price With all Approved Change Orders	\$ _____	Contract Time With all Approved Change Orders _____ days
Notes:		
_____		_____
Regional Coordinator		Date
_____		_____
Manager		Date
_____		_____

**CONTRACT CHANGE ORDER NO. 2 - ATTACHMENT
2015 CDBG WATER IMPROVEMENTS
TXCDBG CONTRACT NO. 7215300**

**OWNER: CITY OF LOCKHART
CONTRACTOR: NIGHTHAWK CONSTRUCTION, LLC
ENGINEER: TRC ENGINEERS, INC.
JUNE 28, 2016**

Item No.	Item Description	Contract Quantity	Units	Unit Price	Contract Amount	Quantity (+) Increase (-) Decrease	Amount (+) Increase (-) Decrease	Revised Quantity	Units	Revised Amount
P.1	6" DI Fire Hydrant Leads	5	LF	\$185.80	\$929.00		\$0.00	5		\$929.00
P.2	12" C900 DR18 PVC Pipe	6	LF	\$161.33	\$967.98		\$0.00	6		\$967.98
P.3	18" C905 DR 18 PVC Pipe	2,695	LF	\$62.75	\$169,111.25	600	\$37,650.00	3,295		\$206,761.25
P.4	Fire Hydrants	1	EA	\$5,543.00	\$5,543.00		\$0.00	1		\$5,543.00
P.5	DI Main Line Fittings	1	TON	\$6,411.00	\$6,411.00		\$0.00	1		\$6,411.00
P.6	6" AWWA C515 Gate Valve	1	EA	\$1,490.00	\$1,490.00		\$0.00	1		\$1,490.00
P.7	18" AWWA C504 Butterfly Valve	3	EA	\$4,296.00	\$12,888.00		\$0.00	3		\$12,888.00
P.8	Tapping Sleeve 12"x12"	1	EA	\$8,396.00	\$8,396.00		\$0.00	1		\$8,396.00
P.9	Tapping Sleeve 24"x18"	1	EA	\$23,275.00	\$23,275.00		\$0.00	1		\$23,275.00
P.10	OSHA Trench Excavation Protection	2,695	LF	\$3.50	\$9,432.50	600	\$2,100.00	3,295		\$11,532.50
P.11	Pollution Prevention Plan	1	LS	\$2,300.00	\$2,300.00		\$0.00	1		\$2,300.00
P.A.1	18" C905 DR 18 PVC Pipe	422	LF	\$62.75	\$26,480.50		\$0.00	422		\$26,480.50
P.A.2	OSHA Trench Excavation Protection	422	LF	\$3.50	\$1,477.00		\$0.00	422		\$1,477.00
PRESENT CONTRACT AMOUNT					\$268,701.23					
NET CONTRACT INCREASE							\$39,750.00			
TOTAL REVISED CONTRACT AMOUNT										\$308,451.23

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY		Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: June 7, 2016				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers		Asst. City Manager		
Dept. Signature:		City Manager		5-31-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input checked="" type="checkbox"/> APPROVAL OF BID <input checked="" type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding recommended bid award to Nighthawk Construction of Lockhart, Texas, for installation of 18" water transmission main from the Lockhart Water Treatment Plant for approximately 2,800 linear feet, including addendum footage, to the west in the amount of \$ 249,157.50, and authorizing the Mayor to sign all contractual documents if approved				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S): 2015 CDBG Water Improvements Grant \$269,000				
SUMMARY OF ITEM				
Bid advertisements in compliance with State Law were sought for the installation of approximately 2,800 linear feet of 18" water transmission line, including addendum for additional footage. Nineteen companies expressed interest in the project, but only 8 submitted bids. Bids ranged from \$319,208 to the low bid of \$249,157.50 as submitted by Nighthawk Construction of Lockhart. The company has been in business six years in Lockhart performing site work including the installation of utilities. The foreman for the project has more 20 years of verifiable utility line experience. References for the company were very good.				
STAFF RECOMMENDATION				
City Manager and City Engineer respectfully request of the bid award as recommended.				
List of Supporting Documents: Advertisement, Bid Tab, History Information		Other Departments, Boards, Commissions or Agencies:		

CITY OF LOCKHART

2015 CDBG FUNDING

CONTRACT WITH NIGHTHAWK CONSTRUCTION, LLC

Event	\$ Amount	Linear Feet	Notes
Orginal Contract	\$ 249,157.48	2400	18" Water Transmisison Line
Change Order # 1	\$ 19,543.75	295	18" Water Transmisison Line
Subtotal	\$ 268,701.23	2695	CDBG Funds Exahausted: Total \$ and Footage under CDBG
Change Order # 2	\$ 39,750.00	600	Additional Line for good price using 2015 CO Water Fund Projects
	\$ 308,451.23	3295	Total Revised Contract and 895 LF more line
Total of Change Orders	\$ 59,293.75		
% of Original Contract	23.80%		
* State Law allows up to 25% increase in existing contracts			

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Dates: 7-5-2016				
Department: City Manager		Initials	Date	
Department Head: Vance Rodgers	Asst. City Manager			
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>VR</i>	6-30-2016	
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding Ordinance No. 2016-17 whereby the Lockhart City Council directs Texas Gas Service Company (TGS) to file a statement of intent subsequent to receiving final approval of gas utility rates in pending Gas Utilities Docket No. 1052; the TGS proposal combines the Central Texas Service Area (CTSA) and the South Texas Service Area (STSA) resulting in lower gas rates for the City of Lockhart and six other cities in the STSA.				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Texas Gas Services has proposed to combine the CTSA (Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley, and West Lake Hills) with the STSA (Lockhart, Luling, Gonzales, Cuero, Yoakum, Shiner, and Nixon) which will result in proposed rate reductions, if approved by the Texas Railroad Commission, in STSA residential gas service rates by 11.2% and in STSA commercial gas service rates by 30%, and with less reductions for large commercial and industrial accounts. Please see SOI Exhibit C for rate comparison information.				
STAFF RECOMMENDATION				
After conferring with other City Managers in the STSA, the City Manager respectfully requests approval Ordinance 2016-17.				
List of Supporting Documents: Texas Gas Services Letter, backup, and Exhibit C with proposed new rates.		Other Departments, Boards, Commissions or Agencies:		

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ORDINANCE NO. 2016-17

AN ORDINANCE OF THE CITY OF LOCKHART, TEXAS, DIRECTING TEXAS GAS SERVICE COMPANY, A DIVISION OF ONE GAS, INC., TO FILE A STATEMENT OF INTENT SUBSEQUENT TO RECEIVING FINAL APPROVAL OF GAS UTILITY RATES IN PENDING GAS UTILITIES DOCKET NO. 10526; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY'S LEGAL COUNSEL

WHEREAS, the City of Lockhart , Texas ("City"), is a home rule municipality operating pursuant to its Charter and the laws of the State of Texas; and

WHEREAS, pursuant to Texas Utilities Code Section 103.001, the City of Lockhart is a regulatory authority having exclusive original jurisdiction over the rates, operations and services of a gas distribution utility in the City limits of the City of Lockhart ; and

WHEREAS, Texas Gas Service Company ("Texas Gas" or "TGS") a Division of ONE Gas, Inc., an Oklahoma corporation, is a gas distribution utility operating within the City of Lockhart, Texas; and

WHEREAS, pursuant to the City Charter of the City of Lockhart, Section 10.03, the City of Lockhart reserved onto itself all authority to regulate and fix the reasonable rates to be charged by public utility corporations for gas distribution rates to consumers, subject to and in accordance with the laws of the State of Texas; and

WHEREAS, pursuant to Texas Utilities Code Section 104.003, the City as Regulatory Authority has an obligation to ensure that each rate a gas utility demands or receives is just and reasonable; and

WHEREAS, on June 20, 2016, Texas Gas filed a Statement of Intent, pursuant to Subchapter C of Chapter 104 of the Texas Utilities Code, to increase gas utility rates within the incorporated areas of the Central Texas Service Area ("CTSA"), which includes the cities of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley and West Lake Hills, Texas ("CTSA Cities"); and

WHEREAS, on June 20, 2016, Texas Gas filed a Statement of Intent, pursuant to Subchapter C of Chapter 104 of the Texas Utilities Code and the rules of the Gas Services Division of the Railroad Commission of Texas ("Commission") to increase gas utility rates for the unincorporated areas of the CTSA and South Texas Service Area ("STSA") docketed as GUD No. 10526; and

WHEREAS, as part of these rate filings, Texas Gas proposes to consolidate the CTSA and STSA into a new service area called the Central Texas Consolidated Service Area ("CTCSA"); and

WHEREAS, Texas Gas calculated the revenue requirement for these rate filings using the system-wide cost of providing service to all customers within the incorporated and unincorporated areas of the proposed CTCSA, which is comprised of the incorporated and unincorporated areas of the CTSA and STSA; and

WHEREAS, if approved, Texas Gas's consolidation request will result in a rate reduction for the STSA Cities, which includes the cities of Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas; and

WHEREAS, to ensure uniform rate implementation within the STSA, the City Council of the City of Lockhart directs Texas Gas to file with the STSA Cities a request to implement the resulting rate reduction within 30 days of receiving final approval of the requested consolidation and the resulting CTCSA rates.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS THAT

A. FINDINGS OF FACT

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein and such recitals, as findings of fact, are hereby approved.

B. REPEALER

To the extent reasonably possible, ordinances are to be read together in harmony. However, all ordinances, or parts thereof, that are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters regulated herein.

C. SEVERABILITY

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

D. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

E. EFFECTIVE DATE

This ordinance shall become effective from and after its passage.

F. COPY OF ORDINANCE TO TGS

Within ten days after passage, a copy of this Ordinance shall be sent to Stephanie Houle, Texas Gas Service Company, Barton Skyway IV, 1301 S. Mopac, Suite 400, Austin, Texas 78746.

PASSED AND APPROVED this the ____ day of ____ 2016, by a vote of ____ (ayes) to ____ (nays) to ____ (abstentions) of the City Council of the City of Lockhart, Texas.

City of Lockhart

By: _____
Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

By: _____
Connie Constancio, TMRC
City Secretary

Peter Gruning, City Attorney

Parsley Coffin Renner

A Limited Liability Partnership

Post Office Box 13366
Austin, Texas 78711
Telephone (512) 879-0900
Fax (512) 879-0912

June 20, 2016

Via Hand Delivery

Ms. Kari French
Director, Oversight & Safety Division
Railroad Commission of Texas
1701 N. Congress Ave., 9th Floor
Austin, Texas 78701

Re: GUD No. 10526; *Statement of Intent of Texas Gas Service Company, a division of ONE Gas, Inc. to Change Gas Utility Rates Within the Unincorporated Areas of the Central Texas Service Area and South Texas Service Area*

Dear Ms. French:

Enclosed for filing are an original and seven copies of Texas Gas Service Company, a Division of ONE Gas, Inc.'s ("TGS" or the "Company") Statement of Intent to change gas utility rates within the unincorporated areas of the Central Texas Service Area ("CTSA") and South Texas Service Area ("STSA"), including supporting exhibits and a CD of the electronic files.

In addition to the rate and tariff changes contained in the Statement of Intent, TGS is also requesting consolidation of the CTSA and STSA into a single Central Texas Consolidated Service Area ("CTCSA"). For that reason, the filing contains three sets of schedules that reflect: (1) stand-alone CTSA data; (2) stand-alone STSA data; and (3) combined CTCSA data. The combined CTCSA data provides the basis for the Company's requested rates. The Company is also providing a version of the CTCSA cost of service schedules that is fully integrated and linked to all supporting workpapers.

Thank you for your attention to this matter. Please do not hesitate to contact me if you have any questions.

Best regards,



Kate Norman
Attorney for Texas Gas Service Company

KWN:ssm
Enclosures

cc: Mark Evarts – Market Oversight Section Director
Stephanie Houle
Stacey McTaggart
Nicole Simmons

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GAS UTILITIES DOCKET NO. 10526

STATEMENT OF INTENT OF TEXAS	§	
GAS SERVICE COMPANY, A DIVISION	§	BEFORE THE
OF ONE GAS, INC. TO CHANGE GAS	§	
UTILITY RATES WITHIN THE	§	RAILROAD COMMISSION
UNINCORPORATED AREAS OF THE	§	
CENTRAL TEXAS SERVICE AREA	§	OF TEXAS
AND SOUTH TEXAS SERVICE AREA	§	

TEXAS GAS SERVICE COMPANY'S STATEMENT OF INTENT TO CHANGE GAS UTILITY RATES WITHIN THE UNINCORPORATED AREAS OF THE CENTRAL TEXAS SERVICE AREA AND SOUTH TEXAS SERVICE AREA

Texas Gas Service Company ("TGS" or "the Company"), a division of ONE Gas, Inc. ("ONE Gas") and a "gas utility" under Texas Utilities Code § 101.003(7), respectfully files this Statement of Intent, pursuant to Subchapter C of Chapter 104 of the Texas Utilities Code and the rules of the Gas Services Division of the Railroad Commission of Texas ("Commission"), to change gas utility rates within the unincorporated areas of the Central Texas Service Area ("CTSA") and South Texas Service Area ("STSA").¹ In addition to requesting a change in rates, the Company is proposing to consolidate the CTSA and STSA into a new service area called the Central Texas Consolidated Service Area ("CTCSA"). Consistent with this request to consolidate the CTSA and STSA, the Company's proposed rates were developed based on the cost of providing service to the entire CTCSA. Contemporaneously with this filing, TGS is filing a Statement of Intent to Increase Rates with the municipalities retaining original jurisdiction in the CTSA.

The Company requests that the proposed rate schedules and tariffs for the proposed new CTCSA, attached as **Exhibit A** to this Statement of Intent and incorporated herein by reference,

¹ This pleading uses the terms "unincorporated areas" and "environs" interchangeably.

become effective on August 12, 2016, which is 53 days from the date of this filing.² In support of its request, the Company respectfully shows as follows:

I. INTRODUCTION AND SUMMARY OF THE RATE REQUEST

TGS calculated the revenue requirement for this filing using the system-wide cost of providing service to all customers within the incorporated and unincorporated areas of the proposed CTCSA, which is comprised of the incorporated and unincorporated CTSA and STSA. The new rates will affect all customers in the CTSA and STSA, which include residential, commercial, industrial, public authority, public school space heating, compressed natural gas and transportation customers.³ For the 12-month period ended December 30, 2015, the Company's overall, combined revenue requirement for the CTSA and STSA on a system-wide basis totaled approximately \$82 million, as adjusted. The total revenue TGS received during the test year from customers within the combined incorporated and unincorporated areas of the CTSA and STSA was approximately \$70.4 million, leaving a revenue deficiency on a combined basis of approximately \$11.6 million.

If approved by the Commission, the proposed rates will increase TGS's revenues in the combined CTSA and STSA by \$11.6 million, which is an increase of 9.00% including gas costs, or 17.24% excluding gas costs. Because the proposed changes will increase TGS's total aggregate revenues within the proposed CTCSA by more than 2.5%, the proposed rate increases constitute a "major change" in rates as that term is defined by Texas Utilities Code § 104.101. Additionally, the proposed rates will not exceed 115% of the average of all rates for similar services of all municipalities served by the Company within the same county.

² The Company is proposing this effective date to accommodate the Commission's Conference schedule.

³ With regard to cities within the STSA, the Company's consolidation request will result in a rate reduction. To ensure uniform rate implementation within the STSA and other service areas affected by the consolidation request, the Company will file with the STSA Cities a request to implement the resulting rate reduction upon receiving approval of the requested consolidation and the resulting CTCSA rates.

The rate schedules and tariffs, attached hereto as **Exhibit A** to the Rate Filing Package and made a part hereof, evidence the rate changes proposed by the Company. The proposed CTCSA rate schedules and tariffs would be applicable to the entire CTCSA. Implementation of new CTCSA tariffs necessarily entails withdrawal of the Company's separate, existing CTSA and STSA incorporated and environs tariffs. The Company proposes to combine the current large volume commercial class with the commercial class, the current large volume industrial class with the industrial class and the current large volume public authority class with the public authority class. The Company proposes expanding the territory of the existing Energy Efficiency and Conservation Program to include the STSA Cities and CTSA and STSA unincorporated areas. The Company is also proposing a Weather Normalization Adjustment, and a rider for the recovery of Pipeline Integrity Testing Expense. Additional proposed revisions to the Company's rate schedules and tariffs are detailed in Section E of this Statement of Intent.

As part of this rate filing, the Company is also seeking Commission approval of new depreciation rates for distribution and general plant within the CTCSA as well as TGS Division plant, and corporate assets allocated to TGS and the CTCSA. The depreciation studies included with the rate filing package confirm the Company's compliance with findings in the Commission's Final Order in GUD No. 10285 directing the Company to (1) file a depreciation study not older than 12 months for TGS assets as part of its next Statement of Intent proceeding involving one or more of its El Paso, Rio Grande Valley or Austin Service Areas; and (2) perform a depreciation study to update the level of corporate depreciation expense allocated to TGS within a reasonable time following the creation of ONE Gas, Inc.⁴ In addition, the Company seeks a prudence determination with regard to its capital investment booked to plant in

⁴ *Statement of Intent of Texas Gas Service Company, a division of ONEOK, Inc., to Increase Gas Utility Rates Within the Unincorporated Areas of the Rio Grande Valley Service Area*, GUD No. 10285, Final Order at Findings of Fact 30 and 31 (Nov. 26, 2013).

the unincorporated areas of the CTSA and STSA through December 31, 2015, including all capital investment reflected in the Company's interim rate adjustment ("IRA") filings made in the STSA environs since the last STSA environs statement of intent rate proceeding, pursuant to Texas Utilities Code § 104.301. The Company is also requesting that, to the extent necessary, the Commission find that the transfer of TGS from ONEOK, Inc. ("ONEOK") to ONE Gas is in the public interest. Finally, as provided by law, TGS is requesting that the Commission approve the recovery of the reasonable rate case expenses associated with this filing through a surcharge on rates. The exact amount will not be known until the case is complete.

II. JURISDICTION

TGS is a gas utility as that term is defined in § 101.003(7) of the Texas Utilities Code. Pursuant to Texas Utilities Code § 102.001(a), the Commission has exclusive original jurisdiction to set the rates TGS requests for customers in the unincorporated areas of the current CTSA and STSA. Consistent with such jurisdiction, the proposed rates identified in Exhibit A are applicable to the Company's natural gas service within the unincorporated areas of the CTSA and STSA, collectively the CTCSA.

III. CONSOLIDATION OF SERVICE AREAS

In developing the proposed rates, the Company is proposing to consolidate the CTSA and STSA into a new, combined service area known as the CTCSA. The CTSA is currently comprised of the incorporated areas of Austin, Bee Cave, Cedar Park, Dripping Springs, Kyle, Lakeway, Rollingwood, Sunset Valley and West Lake Hills, Texas and their associated environs, including the environs of Buda, Texas. The STSA is currently comprised of the incorporated areas of Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum and Nixon, Texas, and their associated environs. While the Company's past practice has been to develop separate rates based on the individual costs of service of the CTSA and STSA, the Company seeks in this proceeding

to consolidate these two service areas and use a system-wide cost of service for the entire CTCSA to realize efficiencies from the centralization of its existing operations in the separate service areas. The Company's proposed rates for customers in the environs of the CTSA and STSA are based on the system-wide cost of providing service to the new CTCSA.

IV. DETAILS OF PROPOSED CHANGES

A. Rate Filing Package

In addition to this Statement of Intent, the Rate Filing Package consists of the following:

- SOI Exhibit A Proposed Rate Schedules and Tariffs
- SOI Exhibit B Proposed Revenue Increase by Class
- SOI Exhibit C Average Bill Impact by Class
- SOI Exhibit D Direct Testimony
- SOI Exhibit E Proposed Notice
- SOI Exhibit F Proposed Protective Order
- SOI Exhibit G Cost of Service Schedules
- SOI Exhibit H Workpapers

B. Test Year

The Company's proposed cost of service for unincorporated areas of the proposed CTCSA as set forth in this Statement of Intent and Rate Filing Package is based on the 12-month period ended December 31, 2015, updated for known changes and conditions that are measurable with reasonable accuracy.

C. Effective Date

The Company requests that the Commission order the proposed rates to be effective for meters read on and after August 12, 2016.

D. Class and Number of Customers Affected

The proposed changes to the Company's rate schedules will affect all customers in the CTCSA environs. The table below shows the approximate number of environs customers by class, who will be affected by the proposed rate changes:

Customer Class	CTSA Customers	STSA Customers
Residential	21,353	230
Commercial A/C, Commercial, Large Commercial	449	27
Industrial, Large Industrial	0	1
Public Authority, Large Public Authority	40	0
Public School Space Heating	1	0
Standard Transportation	19	1

Exhibits B and C, attached, show the amount of the proposed increase and the effect of the proposed increase on an average bill for each class of customers.

E. Proposed Rate Schedules and Tariffs

TGS proposes the following rate schedules and tariffs, which are attached to this Statement of Intent as Exhibit A and incorporated herein by reference:

- (a) *Proposed Rates for General Sales Customers:* TGS proposes the attached rates for the following classes of general sales customers in the CTCSA consistent with the CTCSA revenue requirement demonstrated in the Rate Filing Package: Rate Schedules 10 and 1Z for residential gas sales service; Rate Schedules 20 and 2Z for commercial gas sales service; Rate Schedules 30 and 3Z for industrial gas sales service; Rate Schedules 40, 48, 4H, and 4Z for public authority and public schools space heating gas sales service; Rate Schedules CNG-1 and CNG-1 ENV for compressed natural gas sales service; and Rate Schedules C-1 and C-1 ENV for cogeneration sales service. The Company proposes to withdraw Rate Schedules 2A and 2C for small commercial air conditioning and large volume commercial air conditioning gas sales service; Rate Schedules 3A and 3C for small volume industrial air conditioning and large volume industrial air conditioning gas sales service; Rate Schedules 4A and 4C for small volume public authority air conditioning and large volume public authority air conditioning gas sales service, for which there are no current customers. The Company has renumbered tariffs to be consistent with the numbering system used in the CTSA and STSA as well as other service areas. Additionally, the Company proposes to include references to Rate Schedule WNA, Rate Schedule PIT, Rate Schedule RCE, and Rate Schedule CAC and to remove any references to curtailment priorities as these requirements are contained in the Company's curtailment plans on file with the Commission.

- (b) *Rate Schedules T-1, T-1-ENV and T-TERMS:* In the rate schedules applicable to transportation service, the Company proposes to specify that the Company may designate the receipt points; clarify that the service is available only where adequate gas supply exists; specify the volumetric rate for each customer; include provisions for applicable taxes and fees, rate case expense surcharge rider, pipeline integrity testing rider, and for demand or reservation charges; remove the designation of Firm Transportation Service; eliminate the "Special Provisions" section because those terms are contained in the proposed Rate Schedule T-TERMS; indicate that Rate Schedules T-1 and T-1-ENV are subject to Rate Schedule T-TERMS; and eliminate certain items in the "Conditions" section because they are contained in Rate Schedule T-TERMS. For Rate Schedule T-TERMS, the Company proposes to add provisions relating to electronic flow measurement; to add a term of service of 12 months or more; and to add balancing requirements and provisions. The Company also proposes to withdraw Rate Schedule T-GEN, T-GEN-ENV, and T-GTC because the Company proposes to move the general terms and conditions for transportation service to Rate Schedule T-TERMS.
- (c) *Rate Schedules 1-INC and 1-ENV:* For the cost of gas clauses, the Company proposes to expand the definition of the "Cost of Purchased Gas" to include renewable natural gas. The definition of the "Cost of Purchased Gas" is also modified to limit the use of financial instruments to those instances when approval has been provided by the Commission for Rate Schedule 1-ENV. The Company proposes to apply provisions relating to uncollectible cost of gas to all CTCSA customers.
- (d) *Rules of Service:* For the Rules of Service, the Company proposes to add or revise the following sections: §4.8, which provides clarity to customers as to who is legally responsible for the customers' piping and appliances; §15.5 through §15.9, which clarify customer and Company rights and obligations relating to service work and which allow the Company to safely, effectively, and efficiently conduct service work in the CTCSA; and §17.3 (g) through (h), which clarify conditions under which the Company may discontinue service to a customer. The Company also proposes revisions to eliminate unnecessary sections, §4.4 Transportation Across State Lines and §14 Curtailments. Additional proposed changes to the Rules of Service include new transportation service definitions, revisions to clarify the rights and obligations of the customer and the Company regarding extension of facilities, specification of atmospheric pressure and serving pressure by city and revisions necessary to establish consistency for service fees and deposits. In addition to the foregoing revisions, when compared to the CTSA environs Rules of Service, the proposed Rules of Service contain additional additions or revisions to the following sections: §5.5 (c) through (g), detail ways a customer may establish credit and a provision for waiver of the deposit in situations of family violence; §11, to provide clarity to the customers regarding the Company's measurement practices; §13.6 and §13.7, to provide for e-billing and alternative payment options; §14, provides assurance to customers of the quality of gas to be delivered; §12, to expand the provisions relating to meter reading and accuracy of meters; §20, to revise the description of the Average Bill Calculation plan to eliminate restrictions to the timing of a customer's selection of the plan and to update the language to better

reflect current plan practices; and eliminate an outdated and overly complex "Hearings" process for disputed bills.

- (e) *Rate Schedule WNA*: In proposed Rate Schedule WNA, the Company seeks to implement a weather normalization adjustment applicable to all areas in the CTCSA. The language in Rate Schedule WNA is consistent with the WNA clause that is currently in effect in in the CTSA Cities and other Company service areas.
- (f) *Rate Schedule RCE and Rate Schedule RCE-ENV*: The Company seeks approval of Rate Schedule RCE and Rate Schedule RCE-ENV to allow for recovery of all reasonable rate case expenses incurred by the Company and cities in connection with the Statement of Intent filings that have been made with the CTSA Cities and the Commission.
- (g) *Energy Efficiency/Conservation Tariff (Rate Schedule CAC and 1C)*: The Company proposes to extend the current CTSA Cities' Conservation/Energy Efficiency Program to all areas of the CTCSA. Proposed Rate Schedule CAC reflects the terms of the program, which will include a variety of residential and commercial energy efficiency services, refunds and incentives funded by a volumetric charge (rate per Ccf) collected from residential and commercial customers.
- (h) *Pipeline Integrity Testing Rider (Rate Schedule PIT)*: The Company proposes implementation of Rate Schedule PIT to recover pipeline integrity testing costs incurred in a given calendar year through a volumetric rate to be applied to customer bills during the following April through March. These costs are currently recovered through the cost of gas clause in the CTSA Cities.

If the Company's consolidation proposal is not approved, the Company requests approval of new base rates for the environs areas of the CTSA and STSA based on the separate cost of service schedules included with the Statement of Intent filing.

F. Effect of Proposed Rate Changes

The specific proposed changes to the Company's rates are shown in the following side-by-side comparison of existing and proposed rates for CTSA and STSA environs customers:

Customer Class	Existing Dripping Springs Environs Rates	Existing Kyle/Buda Environs Rates	Existing West Lake Hills Environs Rates	Existing CTSA Environs Rates	Existing STSA Environs Rates	Proposed Rate
Residential						
Customer Charge	\$11.50	\$11.50	\$7.75	\$7.75	\$21.12	\$21.25
Volumetric All Usage	\$0.0760	\$0.14545	\$0.14670	\$0.15790	\$0.22090	\$0.03804
Commercial						
Customer Charge - Sales	\$17.00	\$11.50	\$11.75	\$11.75	\$47.34	\$38.00
Volumetric All Usage	\$0.07730	\$0.14545	\$0.14830	\$0.15950	\$0.36620	\$0.10162
Customer Charge - Transportation	\$75.00	\$75.00		\$75.00	\$551.05	\$230.00
Volumetric All Usage	\$0.07580	\$0.14545		\$0.15640	\$0.36620	\$0.10162
Small Commercial - Air Conditioning						
Customer Charge - Sales				\$11.75		Withdrawn
Volumetric						No Customers
June-Oct. First 250				\$0.15950		
All Over 250				\$0.11310		
Nov.-May First 250				\$0.15950		
All Over 250				\$0.15950		
Customer Charge - Transportation				\$75.00		Withdrawn
Volumetric						No Customers
June-Oct. First 250				\$0.15640		
All Over 250				\$0.11060		
Nov.-May First 250				\$0.15640		
All Over 250				\$0.15640		
Large Commercial						
Customer Charge - Sales				\$150.00		Withdrawn
Volumetric All Usage				\$0.11510		Replaced w/Commercial
Customer Charge - Transportation				\$150.00		Withdrawn
Volumetric All Usage				\$0.11510		Replaced w/Commercial Transport
Large Commercial - Air Conditioning						
Customer Charge - Sales				\$150.00		Withdrawn
Volumetric						No Customers
June-Oct. All Usage				\$0.08130		
Nov.-May All Usage				\$0.11510		
Customer Charge - Transportation				\$150.00		Withdrawn
Volumetric						No Customers
June-Oct. All Usage				\$0.08130		
Nov.-May All Usage				\$0.11510		
Industrial						
Customer Charge - Sales				\$45.00	\$124.65	\$150.00
Volumetric All Usage				\$0.11700		\$0.08086
First 3,000					\$0.12360	
All Over					\$0.09670	
Customer Charge - Transportation				\$80.00	\$702.69	\$350.00
Volumetric All Usage				\$0.11700		\$0.08086
First 3000					\$0.12360	
All Over					\$0.09670	
Small Industrial - Air Conditioning						
Customer Charge - Sales				\$45.00		Withdrawn
Volumetric						No Customers
June-Oct. First 600				\$0.11700		
All Over 600				\$0.07910		
Nov.-May First 600				\$0.11700		
All Over 600				\$0.11700		
Customer Charge - Transportation				\$80.00		Withdrawn
Volumetric						No Customers
June-Oct. First 600				\$0.11700		
All Over 600				\$0.07910		
Nov.-May First 600				\$0.11700		
All Over 600				\$0.11700		
Large Industrial						
Customer Charge - Sales				\$150.00		Withdrawn
Volumetric All Usage				\$0.10650		Replaced w/Industrial
Customer Charge - Transportation				\$185.00		Withdrawn
Volumetric All Usage				\$0.10650		Replaced w/Industrial Transport
Large Industrial - Air Conditioning						
Customer Charge - Sales				\$150.00		Withdrawn
Volumetric						No Customers
June-Oct. All Usage				\$0.08080		
Nov.-May All Usage				\$0.10650		
Customer Charge - Transportation				\$185.00		Withdrawn
Volumetric						No Customers
June-Oct. All Usage				\$0.08080		
Nov.-May All Usage				\$0.10650		
Public Authority						
Customer Charge - Sales			\$15.00	\$15.00		\$47.00
Volumetric All Usage			\$0.13990	\$0.15110		\$0.11146
Customer Charge - Transportation			\$10.00	\$10.00		\$70.00
Volumetric All Usage			\$0.14480	\$0.14480		\$0.11146

Customer Class	Existing Dripping Springs Environs Rates	Existing Kyle/Buda Environs Rates	Existing West Lake Hills Environs Rates	Existing CTSA Environs Rates ^a	Existing STSA Environs Rates ^b	Proposed Rate
Small Public Authority - Air Conditioning						
Customer Charge - Sales				\$15.00		Withdrawn
Volumetric						No Customers
June-Oct.	First 225			\$0.15110		
	All Over 225			\$0.11910		
Nov.-May	First 225			\$0.15110		
	All Over 225			\$0.15110		
Customer Charge - Transportation				\$10.00		Withdrawn
Volumetric						No Customers
June-Oct.	First 225			\$0.14480		
	All Over 225			\$0.11280		
Nov.-May	First 225			\$0.14480		
	All Over 225			\$0.14480		
Large Public Authority						
Customer Charge - Sales				\$75.00		Withdrawn
Volumetric	All Usage			\$0.13030		Replaced w/Pub. Auth.
Customer Charge - Transportation				\$50.00		Withdrawn
Volumetric	All Usage			\$0.11660		Replaced w/Pub. Auth. Transport
Large Public Authority - Air Conditioning						
Customer Charge - Sales				\$75.00		Withdrawn
Volumetric						No Customers
June-Oct.	All Usage			\$0.09390		
Nov.-May	All Usage			\$0.13030		
Customer Charge - Transportation				\$50.00		Withdrawn
Volumetric						No Customers
June-Oct.	All Usage			\$0.08020		
Nov.-May	All Usage			\$0.11660		
Cogeneration						
Customer Charge - Sales				\$100.00		\$70.00
Volumetric						
Nov. - May	First 5,000 Ccf			\$0.09500		\$0.08387
	Next 35,000			\$0.08550		\$0.07517
	Next 60,000			\$0.07270		\$0.06191
	All Over 100,000			\$0.05700		\$0.04683
June-Oct.	First 5,000 Ccf			\$0.07600		\$0.08387
	Next 35,000			\$0.06840		\$0.07517
	Next 60,000			\$0.05450		\$0.06191
	All Over 100,000			\$0.03990		\$0.04683
Customer Charge - Transportation				\$100.00		\$70.00
Volumetric						
Nov. - May	First 5,000 Ccf			\$0.09500		\$0.08387
	Next 35,000			\$0.08550		\$0.07517
	Next 60,000			\$0.07270		\$0.06191
	All Over 100,000			\$0.05700		\$0.04683
June-Oct.	First 5,000 Ccf			\$0.07600		\$0.08387
	Next 35,000			\$0.06840		\$0.07517
	Next 60,000			\$0.05450		\$0.06191
	All Over 100,000			\$0.03990		\$0.04683
Public Schools Space Heating						
Customer Charge - Sales				\$60.00		\$100.00
Volumetric	All Usage			\$0.13020		\$0.11000
Customer Charge - Transportation				\$40.00		\$200.00
Volumetric	All Usage			\$0.12440		\$0.11000
Compressed Natural Gas						
Customer Charge - Sales				\$30.00		\$50.00
Volumetric	All Usage			\$0.08500		\$0.04872
Customer Charge - Transportation				\$30.00		\$75.00
Volumetric	All Usage			\$0.08500		\$0.04872

^a Central Texas Environs includes: the unincorporated areas of Austin, Bee Cave, Cedar Park, Lakeway, Rollingwood, and Sunset Valley. Additionally, Dripping Springs, Kyle/Buda, and West Lake Hills are included if not specified in other Environs tariffs.
^b South Texas Environs includes: Cuero, Gonzales, Luling, Lockhart, Shiner, Yoakum, and Nixon.

Exhibit C shows the average bill impact by customer class.

G. Witness Testimony

Attached as **Exhibit D** to the Statement of Intent is the direct testimony supporting the Company's requested revenue requirement. The attached testimony includes the following witnesses:

- *Caron Lawhorn* is the Senior Vice President of Commercial for ONE Gas. Ms. Lawhorn's testimony provides an overview of ONE Gas, executive management's perspective on certain key aspects of this current case and introduces the Company witnesses who have filed Direct Testimony in this case. Ms. Lawhorn's testimony also describes why the transfer of TGS from ONEOK to ONE Gas was in the public interest.
- *Jim Jarrett* is Vice-President of Operations for TGS. Mr. Jarrett provides an overview of the Company's operations within the affected service areas and sponsors the: consolidation of the two areas into the new CTCSA; explains additions to rate base of capital investment included in prior GRIP filings; addresses the reasonableness, necessity, and use of the Company's capital investment made through December 31, 2015 to serve customers in the proposed CTCSA; and explains that the transfer of TGS from ONEOK to ONE Gas had no impact on the day-to-day operations of the Company.
- *Stacey McTaggart* is the Rates and Regulatory Director for TGS. Ms. McTaggart describes the Company's compliance with Commission requirements regarding the Company's books and records and recovery of costs consistent with Commission requirements, describes the Company's requested tariff changes, and supports the Company's request for recovery of rate case expenses. In addition, although the Company does not believe such a finding is required in this case, Ms. McTaggart's testimony is supportive of the Company's request for a public interest determination that the separation resulting in TGS becoming a division of ONE Gas is in the public interest.
- *Nicole Simmons* is Manager, Rates and Regulatory Analysis for TGS. Ms. Simmons provides an overview of the cost of service and overall revenue requirement calculation. She explains and supports the Company's rate base and expenses and related adjustments. She also sponsors the schedules identified in her testimony.
- *Stacey Borgstadt* is the Manager, Rates and Regulatory Analysis for ONE Gas. Ms. Borgstadt supports the cost allocation methodology used to determine TGS's costs, certain corporate and divisional capital investment and prepayments, expense items related to corporate and divisional depreciation and amortization expense and the Company's proposed recovery of incentive compensation expense. Ms. Borgstadt also sponsors the schedules identified in her testimony.
- *Mark W. Smith* is Vice-President of Treasury for ONE Gas. Mr. Smith provides testimony supporting the recovery of a return on the Company's prepaid pension asset.

- *Anna Kern* is the Manager of Compensation within ONE Gas' Human Resources department. She provides testimony regarding the reasonableness of ONE Gas' compensation philosophy and structure, which includes base pay and short-term and long-term incentive plans.
- *Teresa Serna* is a Rates Analyst for TGS. Ms. Serna conducted the fully allocated class cost of service studies submitted by TGS and describes and supports the Company's proposed interclass cost allocations and rate design.
- *Hayley Cunningham* is a Rates Analyst for TGS. Ms. Cunningham supports the revenue adjustments and related schedules used in developing the Company's system-wide revenue requirement in the CTCSA.
- *Janet Simpson* is an accountant and partner in the firm of Dively and Associates, PLLC. Ms. Simpson presents the calculations for the Company's Accumulated Deferred Income Tax.
- *Joshua Nowak* is a Director with the firm of ScottMadden, Inc. Mr. Nowak sponsors the Company's cash working capital study and proposed cash working capital amounts.
- *Ronald E. White* is an engineer and President of Foster Associates Consultants, LLC. Dr. White sponsors and describes a study of the depreciation rates for the Company's plant located in the CTCSA, as well as for common facilities shared among all TGS service areas, including corporate assets.
- *Bruce H. Fairchild* is a financial accountant and former professor and regulator. Dr. Fairchild is a principal with Financial Concepts and Applications, Inc. Dr. Fairchild addresses and supports the Company's requested return on equity, cost of debt, capital structure, and overall return on invested capital (weighted average cost of capital).
- *Paul H. Raab* is an independent economic consultant. Mr. Raab's testimony explains the Company's proposed conservation and energy efficiency programs and provides benefit/cost evaluations that support the Company's proposed programs.

V. REQUEST FOR PUBLIC INTEREST FINDING

TGS was previously a division of ONEOK. In January 2014, ONEOK separated its natural gas distribution business to create ONE Gas and effective January 31, 2014, TGS became a division of ONE Gas.⁵ In its May 3, 2016, final order issued in GUD No. 10488, the

⁵ See Report of a Transaction Under Tex. Util. Code 102.051 by Texas Gas Service Company of the Creation of ONE Gas, Inc. as Sole Owner, GUD No. 10339 (Feb. 27, 2014).

Commission determined that the separation was in the public interest.⁶ On March 30, 2016, (prior to the issuance of the final order), TGS filed a statement of intent to increase rates in the proposed West Texas Service Area in GUD No. 10506, which included testimony supporting the Company's request for a finding that transaction is in the public interest. The Company made the request for a public interest finding in GUD No. 10506 because at the time the case was filed, the Commission had not issued its final order in GUD No. 10488. Given the public interest finding the Commission made in GUD No. 10488, a determination on the public interest issue is not necessary in this case. Due, however, to the overlapping nature of the Company's West Texas Service Area and Central Texas Consolidated Service Area filings, TGS has again included evidence to support a public interest finding in this docket. To the extent the Commission determines it is necessary to address the public interest issue in this case, the Company seeks confirmation of the finding that the transfer of TGS to ONE Gas is in the public interest pursuant to Texas Utilities Code § 102.051.

VI. RATE CASE EXPENSES

Pursuant to Texas Utilities Code § 104.051 and Commission Substantive Rule 7.5530, TGS requests recovery of all reasonable and necessary Company and any applicable City rate case expenses from affected customers through a surcharge to the final approved rates.

VII. PUBLIC NOTICE AND REQUEST FOR APPROVAL OF FORM OF NOTICE

The Company will promptly undertake to notify the public of the proposed changes in its gas rates consistent with the requirements of Texas Utilities Code § 104.103 and Commission Substantive Rules §§ 7.230 and 7.235. The public notice that TGS proposes to provide regarding the proposed increase in rates for the CTCSA environs is attached as Exhibit E to the Statement

⁶ GUD No. 10488, Final Order (May 3, 2016).

of Intent. TGS asks that the Commission approve its form of notice prior to publication or distribution to customers, and the Company will submit proof of notice to the Commission promptly upon completion thereof.

VIII. COMPANY REPRESENTATIVES FOR NOTIFICATION

TGS's authorized representatives are:

Stephanie G. Houle
Stacey L. McTaggart
Nicole Simmons
Texas Gas Service Company
Barton Skyway IV
1301 S. Mopac, Suite 400
Austin, Texas 78746
512-370-8354
512-370-8440 (fax)

and

Ann M. Coffin
Kate Norman
Parsley Coffin Renner LLP
98 San Jacinto Blvd., Suite 1450
Austin, Texas 78701
512-879-0900
512-879-0912 (fax)

Please serve all pleadings, motions, orders, and other documents filed in this proceeding upon TGS's authorized representatives at the above-stated addresses.

IX. REQUEST FOR APPROVAL OF PROTECTIVE ORDER

The Company's Rate Filing Package includes certain confidential materials. In addition, the scope of discovery in this case may require the production of additional confidential material. Accordingly, TGS attaches as **Exhibit F** to this Statement of Intent a proposed Protective Order and respectfully requests that the Commission issue an order approving the Protective Order. TGS will provide confidential material upon execution of Exhibit A attached to the Protective Agreement.

X. CONCLUSION

TGS requests that the Commission: (1) establish rates for the new CTCSA consistent with those proposed herein to become effective for meters read on and after August 12, 2016; (2) approve consolidation of the CTSA and STSA into the new CTCSA; (3) approve the prudence of capital investment in the CTCSA made through December 31, 2015; (4) approve new depreciation rates; (5) find that the transfer of TGS to ONE Gas is in the public interest, to the extent necessary; (6) authorize the Company to recover all reasonable rate case expenses incurred in connection with this Statement of Intent filing; and (7) for such further relief to which the Company may be entitled.

Respectfully submitted,

By Stephanie G. Houle

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**ATTORNEYS FOR TEXAS GAS
SERVICE COMPANY**

Average Bill Impact
(Including Cost of Gas)

Customer Class	Current Average Monthly Bill Including Cost of Gas	Proposed Average Monthly Bill Including Cost of Gas	Proposed Monthly Dollar Change	Proposed Percentage Change
Gas Sales Service: (2)				
Residential				
Dripping Springs Environs	\$29.18	\$38.84	\$9.66	33.1%
Kyle/Buda Environs	\$31.38	\$38.84	\$7.46	23.8%
West Lake Hills Environs	\$27.67	\$38.84	\$11.17	40.4%
CTSA Environs	\$28.03	\$38.84	\$10.81	38.6%
STSA Environs	\$40.00	\$35.54	(\$4.46)	-11.2%
Commercial A/C (3)				
Will be provided service under Commercial				
CTSA Environs	\$121.26	\$138.60	\$17.34	14.3%
Commercial				
Dripping Springs Environs	\$185.74	\$216.05	\$30.31	16.3%
Kyle/Buda Environs	\$201.02	\$216.05	\$15.03	7.5%
West Lake Hills Environs	\$202.14	\$216.05	\$13.91	6.9%
CTSA Environs	\$205.56	\$216.05	\$10.49	5.1%
STSA Environs	\$202.03	\$141.33	(\$60.70)	-30.0%
Large Commercial				
Will be provided service under Commercial				
CTSA Environs	\$1,713.28	\$1,568.34	(\$144.94)	-8.5%
Industrial				
STSA Environs	\$940.96	\$871.26	(\$69.70)	-7.4%
Public Authority				
West Lake Hills Environs	\$279.19	\$299.43	\$20.24	7.2%
CTSA Environs	\$284.00	\$299.43	\$15.43	5.4%
Large Public Authority				
Will be provided service under Public Authority				
CTSA Environs	\$2,760.01	\$2,653.11	(\$106.90)	-3.9%
Public Schools Space Heating				
CTSA Environs	\$1,035.87	\$1,045.01	\$9.14	0.9%
Transportation Service: (4)				
Commercial Transportation				
Dripping Springs Environs	\$1,018.42	\$1,241.31	\$222.89	21.9%
CTSA Environs	\$1,162.45	\$1,241.31	\$78.86	6.8%
STSA Environs	\$1,297.77	\$738.16	(\$559.61)	-43.1%
Large Commercial Transportation				
Will be provided service under Commercial Transportation				
CTSA Environs	\$4,993.63	\$4,986.86	(\$6.77)	-0.1%
Industrial Transportation				
STSA Environs	\$2,904.43	\$2,305.94	(\$598.49)	-20.6%
Public Authority Transportation				
CTSA Environs	\$315.03	\$358.50	\$43.47	13.8%
STSA Environs				
Public School Space Heating Transportation				
CTSA Environs	\$859.26	\$900.18	\$40.92	4.8%

Lockhart in STSA

(1) Bill impacts are shown for those schedules with customers during the test year. The test year cost of gas in each area is included in the bill calculations. The test year cost of gas for the CTSA is \$0.47593 per Ccf; for the STSA, the test year cost of gas is \$0.50773 per Ccf. Bills at proposed rates for CTSA and STSA customers include the combined CTSA and STSA test year cost of gas, \$0.47696. Bills under current and recommended rates do not include revenue-related taxes. These taxes vary across different locations in the service area. Bill impacts include the Conservation Adjustment Clause Rate (CAC) for the residential and commercial gas sales customer classes.

(2) Bills are based on the following average usage levels:

	CTSA		STSA	
	Year-Round	January	Year-Round	January
Residential	32	89	26	67
Commercial	305	436	177	263
Lg. Commercial	2,645	4,581	4,254	7,062
Industrial	2,059	4,540	1,293	2,373
Public Authority	429	852		
Lg. Public Authority	4,429	9,546		
Public School Space Heating	1,610	2,388		
	August	January		
Commercial A/C	30	274		

(3) Year-round average bill is approximated based on the average August bill assumed to occur in each of the 5 summer months and the average January bill assumed to occur in each of the 7 winter months.

(4) Transportation customers secure their own gas. While the Company has no way of knowing the customer's cost of gas, these bill comparisons assume that customers obtain their gas at a cost that is five percent less than the Company's gas cost. These transportation bill comparisons are only illustrations of the level of total bills and the percentage changes in those bills. Bills are based on the following average usage levels:

	CTSA		STSA	
	Year-Round	January	Year-Round	January
Commercial Transportation	1,787	2,344	880	1,370
Lg. Commercial Transportation	8,539	11,394	4,388	4,544
Industrial Transportation	4,450	6,027	3,663	3,140
Public Authority Transportation	511	743		
Public School Space Heating Transportation	1,421	1,577		



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory		Reviewed by Finance	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Not Applicable	
		Reviewed by Legal	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> Not Applicable	
Council Meeting Date: July 5, 2016				
Department: Finance		Initials	Date	
Department Head: Jeff Hinson		Asst. City Manager		
Dept. Signature: <i>Jeff Hinson</i>		City Manager	<i>[Signature]</i> <i>6-29-2016</i>	
Agenda Item Coordinator/Contact (include phone #): Jeff Hinson / 398-3461 x232				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or Action for Presentation of the Proposed Fiscal Year 2016-2017 Budget to City Council and Setting Tuesday, September 6, 2016 as the Date for the Public Hearing Regarding the Proposed Fiscal Year 2016-2017 Budget.				
FINANCIAL SUMMARY				
x N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Once the budget is presented to Council, the City Charter requires the City Council to set a date for the public hearing for the Fiscal Year 2016-2017 budget.				
STAFF RECOMMENDATION				
Staff recommends the City Council set the public hearing date as Tuesday, September 6, 2016 at 7:30 P.M.				
List of Supporting Documents:		Other Departments, Boards, Commissions or Agencies:		
None				



Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Dates: 7-5-2016				
Department: City Manager			Initials	Date
Department Head: Vance Rodgers	Asst. City Manager			
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>[Signature]</i>		6-29-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding Proposed FY 2016-2017 General Fund Department Budgets and Proposed Funding sources				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Presentation of proposed FY 16-17 General Fund Budgets and recommended funding sources				
STAFF RECOMMENDATION				
Direction from Council				
List of Supporting Documents: Synopsis of budgets and revenues.		Other Departments, Boards, Commissions or Agencies:		

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CITY OF LOCKHART
SYNOPSIS: FY 16-17 Proposed Budget
Work Document

General Fund

Tab	General Fund Depts	Approved FY 15-16	Proposed FY 16-17	Difference	Projected Revenues	Rev Over Exp	Increase Notes
13	Mayor/Council	\$ 211,858	\$ 230,911	\$ 19,053			\$20,000 Election
7	Appraisal Tax Office	\$ 104,987	\$ 118,092	\$ 13,105			Utilities increases
9	City Mgr	\$ 335,106	\$ 347,822	\$ 12,716			\$2000 bidg maint, \$5300 Benefits, \$2000 Communications
14	Econo Develop	\$ 170,517	\$ 169,139	\$ (1,378)			\$2000 Benefits
16	Finance	\$ 266,401	\$ 272,577	\$ 6,176			\$2800 Benefits, \$2800 Bank Charges
18	Info Systems	\$ 105,210	\$ 105,210	\$ -			
10	Civil Service	\$ 54,071	\$ 49,162	\$ (4,909)			\$300 Benefits
12	Community Facility	\$ 8,794	\$ 8,794	\$ -			
11	Communications	\$ 513,824	\$ 511,459	\$ (2,365)			\$10000 Benefits
6	Animal Control	\$ 284,819	\$ 320,114	\$ 35,295			\$6200 Benefits; \$18702 Adoptions Person Part-time; \$5000 medical; \$2973 Printing
22	Muni Court	\$ 214,082	\$ 223,876	\$ 9,794			adjustment
26	Police	\$ 2,207,614	\$ 2,366,411	\$ 158,797			Cameras
17	Fire	\$ 1,212,788	\$ 1,234,043	\$ 21,255			Station Remodel CO Funds
20	Library	\$ 430,777	\$ 450,167	\$ 19,390			and License
24	Parks	\$ 385,150	\$ 396,479	\$ 11,329			\$10,000 Benefits; \$2000 Supplies; \$1000 Repairs
25	Planning	\$ 302,025	\$ 302,956	\$ 931			\$900 Benefits
19	Inspections	\$ 272,196	\$ 208,557	\$ (63,639)			Move Sanitation Officer to Commercil Bin Collections
27	Public Works	\$ 167,961	\$ 170,972	\$ 3,011			\$2900 Benefits; \$1000 Supplies
21	Maintenance	\$ 177,346	\$ 181,172	\$ 3,826			\$3500 Benefits
8	Cemetery	\$ 96,303	\$ 100,844	\$ 4,541			\$550 Benefits; \$4500 Patching Materials for roads
28	Streets/Drainage	\$ 672,875	\$ 715,237	\$ 42,362			\$10,000 Benefits; \$37,000 annual sweeping contract; \$3000 Repairs
23	Non-Departmental	\$ 247,731	\$ 156,521	\$ (91,210)			
	Total Expense Projected	\$ 8,442,435	\$ 8,640,516	\$ 198,080	\$ 8,650,960	\$ 10,444	

NOTE: Revenue includes electric rate increase of 1 to 2 1/2% of total utility bills to cover needed transfer to the General Fund. Without the rate increase there are insufficient funds to cover the needed transfer. Without the transfer, a 4 to 5 cents tax rate increase would be needed. No general wage or COLA included.

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CITY OF LOCKHART

SYNOPSIS: FY 16-17 Proposed Budget Work Document

Transfers To General Fund (Included in Revenues Above)						
	Fund	Approved FY 15-16	Proposed FY 16-17	Difference		
39	Electric Fund	\$ 1,842,959	\$ 2,150,000	\$ 307,041		
39	Water	\$ 336,430	\$ 130,000	\$ (206,430)		
39	Wastewater	\$ 233,951	\$ 235,000	\$ 1,049		
39	Solid Waste	\$ 228,000	\$ 196,072	\$ (31,928)		
39	Transporation Fund	\$ 291,000	\$ 260,000	\$ (31,000)		
39	Drainage Fund		\$ 35,000	\$ 35,000		
39	LEDC	\$ 83,553	\$ 83,553	\$ -		
39	Overhead Costs	\$ 19,728	\$ 19,728	\$ -		
	Totals	\$ 3,035,621	\$ 3,109,353			

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable
Council Meeting Dates: 7-5-2016			
Department: City Manager		Initials	Date
Department Head: Vance Rodgers	Asst. City Manager		
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>[Signature]</i>	6-29-2016
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers			
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER			
CAPTION			
Discussion and/or action regarding Proposed FY 2016-2017 Budgets for Electric, Water, Wastewater, Solid Waste, Airport, and Emergency Services Departments and Proposed Funding sources			
FINANCIAL SUMMARY			
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED			
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS
Budget			\$0.00
Budget Amendment Amount			\$0.00
Encumbered/Expended Amount			\$0.00
This Item			\$0.00
BALANCE	\$0.00	\$0.00	\$0.00
FUND(S):			
SUMMARY OF ITEM			
Presentation of proposed FY 16-17 Enterprise Fund Budgets and recommended funding sources			
STAFF RECOMMENDATION			
Direction from Council			
List of Supporting Documents: Synopsis of budgets and revenues.		Other Departments, Boards, Commissions or Agencies:	

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CITY OF LOCKHART
SYNOPSIS: FY 16-17 Proposed Budget
Work Document

Enterprise Funds							
Tab	Enterprise Funds	Approved FY 15-16	Proposed FY 16-17	Difference	Projected Revenues	Revenues over Expenses	Increase Notes
31	Electric Billing	\$ 689,344	\$ 683,477	\$ (5,867)			\$9500 Benefits; \$3000 Postage; \$ 2500 Accounting
31	Electric Distribution	\$ 1,234,705	\$ 1,010,577	\$ (224,128)			\$13,000 Benefits; \$1000 Materials/Supplies
31	Electric Non-Dept	\$ 9,945,732	\$ 10,212,926				Transfers to General Fund
31	Electric Dept Totals	\$ 11,869,781	\$ 11,906,980	\$ (229,995)	\$ 11,907,781	\$ 801	Revenue Includes electric rate increase to transfer funds to General Fund
32	Water Distribution	\$ 1,207,184	\$ 1,201,413	\$ (5,771)			\$16,800 Benefits
32	Water Treatment	\$ 693,817	\$ 661,860	\$ (31,957)			
32	Water Non-Dept	\$ 2,038,997	\$ 1,522,922	\$ (516,075)			
32	Water Dept Totals	\$ 3,939,998	\$ 3,386,195	\$ (553,803)	\$ 3,398,700	\$ 12,505	
33	Wastewater Collections	\$ 402,689	\$ 415,422	\$ 12,733			\$5000 Materials/Supplies; \$4000 Utilities at Lift Stations; \$36000 Airport Lift Station
33	Wastewater Treatment	\$ 815,786	\$ 841,418	\$ 25,632			Chemicals and Utilities
33	Wastewater Non-Dept	\$ 1,210,005	\$ 827,946	\$ (382,059)			
33	Wastewater Dept Totals	\$ 2,428,480	\$ 2,084,786	\$ (343,694)	\$ 2,238,370	\$ 153,584	Reserve for FY 17-18 Wastewater Debt
34	Solid Waste-Hand Collections	\$ 795,121	\$ 805,689	\$ 10,568			
34	Solid Waste-Bin Collections	\$ 341,795	\$ 440,588	\$ 98,793			\$64916 Wages/Benefits: Transfer Sanitarian Inspector from General Fund 100% and 10% of Supervisor \$8400 Health Officer
34	Solid Waste-Recycling	\$ 47,671	\$ 32,375	\$ (15,296)			
34	Solid Waste-Old Landfill	\$ 15,750	\$ 750	\$ (15,000)			
34	Solid Waste Non-Departmental	\$ 230,286	\$ 198,364	\$ (31,922)			
34	Solid Waste Dept Totals	\$ 1,430,623	\$ 1,477,766	\$ 47,143	\$ 1,478,650	\$ 884	
35	Airport	\$ 21,573	\$ 21,573	\$ -			
35	Airport Dept Totals	\$ 21,573	\$ 21,573	\$ -	\$ 73,284	\$ 51,711	
15	EMS Total	\$ 1,179,290	\$ 1,179,290	\$ -	\$ 1,179,290		

CITY OF LOCKHART

SYNOPSIS: FY 16-17 Proposed Budget Work Document

Transfers To General Fund (Included in Revenues Above)						
	Fund	Approved FY 15-16	Proposed FY 16-17	Difference		
39	Electric Fund	\$ 1,842,959	\$ 2,150,000	\$ 307,041		
39	Water	\$ 336,430	\$ 130,000	\$ (206,430)		
39	Wastewater	\$ 233,951	\$ 235,000	\$ 1,049		
39	Solid Waste	\$ 228,000	\$ 196,072	\$ (31,928)		
39	Transporation Fund	\$ 291,000	\$ 260,000	\$ (31,000)		
39	Drainage Fund		\$ 35,000	\$ 35,000		
39	LEDC	\$ 83,553	\$ 83,553	\$ -		
39	Overhead Costs	\$ 19,728	\$ 19,728	\$ -		
	Totals	\$ 3,035,621	\$ 3,109,353			

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Work Session Item # _____

Reg. Mtg. Item # _____

**CITY OF LOCKHART
COUNCIL AGENDA ITEM**

CITY SECRETARY'S USE ONLY <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory	Reviewed by Finance	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
	Reviewed by Legal	<input type="checkbox"/> Yes	<input type="checkbox"/> Not Applicable	
Council Meeting Dates: 7-5-2016				
Department: City Manager		Initials	Date	
Department Head: Vance Rodgers	Asst. City Manager			
Dept. Signature: <i>Vance Rodgers</i>	City Manager	<i>VR</i>	6-29-2016	
Agenda Item Coordinator/Contact (include phone #): Vance Rodgers				
ACTION REQUESTED: <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT <input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input checked="" type="checkbox"/> OTHER				
CAPTION				
Discussion and/or action regarding Presentation Schedule for departmental budgets to be considered by Council.				
FINANCIAL SUMMARY				
<input type="checkbox"/> N/A <input type="checkbox"/> GRANT FUNDS <input type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP <input type="checkbox"/> BUDGETED <input type="checkbox"/> NON-BUDGETED				
FISCAL YEAR:	PRIOR YEAR (CIP ONLY)	CURRENT YEAR	FUTURE YEARS	TOTALS
Budget				\$0.00
Budget Amendment Amount				\$0.00
Encumbered/Expended Amount				\$0.00
This Item				\$0.00
BALANCE	\$0.00	\$0.00	\$0.00	\$0.00
FUND(S):				
SUMMARY OF ITEM				
Present proposed schedule for review of departmental budgets				
STAFF RECOMMENDATION				
Seek approval of Council				
List of Supporting Documents: Presentation Schedule		Other Departments, Boards, Commissions or Agencies:		

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**City of Lockhart
FY 16-17 Proposed Department Budgets
Presentation Schedule**

Department	Date	Supv/Dept Head to Attend	Presenter	Book Tab
Non-profits Presentation	07/12/2016	Jeff Hinson	Hinson	Agenda
Mayor/Council	"	Vance Rodgers	Rodgers	13
City Manager	"	Vance Rodgers	Rodgers	9
Economic Development	"	Sandra Mauldin	Hinson	14
Finance	"	Jeff Hinson	Hinson	16
Non-Departmental	"	Jeff Hinson	Hinson	23
Debt Service	"	Jeff Hinson	Hinson	30
Information Systems	"	Jeff Hinson	Hinson	18
Civil Service	"	Julie Bowermon	Hinson	10
Community Facility	"	Lee Weatherford	Rodgers	12
Library	"	Bertha Martinez	Rodgers	20
Planning	"	Dan Gibson	Rodgers	25
Inspections	"	Shane Mondin	Rodgers	19
Airport	"	Lee Weatherford	Rodgers	35
Animal Control	"	Lee Weatherford	Rodgers	6
Parks	"	Lee Weatherford	Rodgers	24
Public Works	"	Lee Weatherford	Rodgers	27
Maintenance and Garage	"	Lee Weatherford	Rodgers	21
Cemeteries	"	Lee Weatherford	Rodgers	8
Streets and Drainage	"	Lee Weatherford	Rodgers	28
Municipal Court	07/19/2016	Bonnie Townsend	Rodgers	22
Fire	"	Jospeh Gorman	Rodgers	17
Communications	"	Michael Lummus/John Roescher	Hinson	11
Police	"	Michael Lummus/John Roescher	Hinson	26
Electric Billing	"	Emma Rocha	Hinson	31
Electric Distribution	"	Bob Leos	Rodgers	31
Water Distribution	"	Sean Kelley	Rodgers	32
Wastewater Collecton	"	Sean Kelley	Rodgers	33
Solid Waste-Hand Collection	"	Lee Weatherford	Rodgers	34
Solid Waste-Bin Collection	"	Lee Weatherford	Rodgers	34
Solid Waste-Recycling	"	Lee Weatherford	Rodgers	34
Solid Waste-Landfill	"	Lee Weatherford	Rodgers	34
GBRA Wastewater Treatment	07/28/2016	GBRA staff	GBRA staff	36
GBRA Water Treatment	"	GBRA staff	GBRA staff	36
Appraisal District	"	CCAD Staff	Hinson	7

LIST OF BOARD/COMMISSION VACANCIES

Updated: June 8, 2016

Board Name	Reappointments/Vacancies	Council member
Board of Adjustment	VACANT-(Stephanie Ramirez verbal/e-mail resignation 08/5/2015)	Councilmember Castillo
Impact Fee Advisory Committee	VACANT / ETJ REPRESENTATIVE-(Kasi Miles moved inside city limits 10/9/2015)	Any Councilmember

APPLICATIONS RECEIVED TO BE ON A BOARD/COMMISSION

APPLICANT	BOARD REQUESTED	DATE RECEIVED	RESIDENCE DISTRICT
Ron Faulstich	Historical Preservation Commission	December 31, 2015	District 3
Paul Buckner	Parks & Recreation Advisory Board	April 1, 2016	District 2

<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>NOTES: AIRPORT ADVISORY BOARD</p>	<p>Sec. 4-26. Membership; appointments. 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>Sec. 4-28. Eligibility for board membership. 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>Sec. 4-32. Limitations of authority. 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>NOTES: CONSTRUCTION BOARD APPOINTMENTS</p>	<p><i>Section B101.4, Board Decision, is amended to read as follows:</i> 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, is amended to read as follows:</i> 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>NOTES: ELECTRIC BOARD APPOINTMENTS</p>	<p>Sec. 12-132. Members. (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>Sec. 12-133. Officers and quorum. 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>NOTES: HISTORIC PRESERVATION COMMISSION</p>	<p>Sec. 28-3. Historical preservation commission. (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>NOTES: PARKS ADVISORY BOARD</p>	<p>Sec. 40-133. Members. (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>

Sec. 2-209. - Rules for appointment.

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.
- (6) 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.

Section 2-210. Method of selection; number of members; terms.

- (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.

Sec. 2-212. Removal and resignation of members.

- (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.

NOTES:
ORDINANCE
RE: ALL
BOARD,
COMMISSION
APPOINTMENTS

COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

Councilmember	Board/Commission	Appointee	Date Appointed
Mayor – Lew White	Airport Board	John Hinnnekamp	01/17/12
	Board of Adjustment	Mike Annas	01/17/12
	Construction Board	Ralph Gerald	01/17/12
	Ec Dev. Revolving Loan	W.R. Cline	01/17/12
	Ec Dev. Corp. ½ Cent Sales Tax	Alan Fielder, Vice-Chair	01/17/12
	Electric Board	Joe Colley, Chair	01/17/12
	Historical Preservation	John Lairsen	01/05/16
	Library Board	Stephanie Riggins	01/17/12
	Parks and Recreation	Albert Villalpando, Chair	01/17/12
	Planning & Zoning	Bill Faust	03/18/14
District 1 – Juan Mendoza	Airport Board	Larry Burrier	06/19/12
	Board of Adjustment	Lori Rangel	05/01/12
	Construction Board	Aaron Snider	09/06/11
	Eco Dev. Revolving Loan	Ryan Lozano	08/15/06
	Eco Dev. Corp, ½ Cent Sales Tax	Dyral Thomas	04/05/11
	Electric Board	Thomas Herrera	07/17/12
	Historical Preservation	Victor Corpus	06/04/13
	Library Board	Shirley Williams	01/17/12
	Parks and Recreation	Linda Thompson-Bennett	08/19/08
	Planning & Zoning	Adam Rodriguez	12/04/12
District 2– John Castillo	Airport Board	Reed Coats	01/17/12
	Board of Adjustment	VACANT-(S.Ramirez resigned 8/5/2015)	
	Construction Board	Israel Zapien	01/17/12
	EcoDev. Revolving Loan	Rudy Ruiz	05/03/16
	Eco Dev. Corp. ½ Cent Sales Tax	Fermin Islas, Chair	01/04/11
	Electric Board	James Briceno	05/03/11
	Historical Preservation	Richard Mendez, Chair	02/01/11
	Library Board	Donnie Wilson	01/04/11
	Parks and Recreation	James Torres	05/03/11
	Planning & Zoning	Rob Ortiz, Alternate Manuel Oliva	05/06/08 05/03/11

COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

District 3 – Benny Hilburn	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 Nic Irwin (Alternate) Kirk Smith (Alternate) Jerry West, Vice-Chair Lew White, Chair Ken Doran Thomas Stephens Ronda Reagan Jean Clark Fox, Chair William Burnett Philip McBride, Chair	12/03/13 12/03/13 12/15/15 03/15/16 12/03/13 12/03/13 12/03/13 12/03/13 12/03/13 12/03/13 12/03/13 12/03/13
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 Mary Beth Nickels Morris Alexander James Paul Denny, Vice-Chair Kathy McCormick Donaly Brice Russell Wheeler Steve Visage	07/01/08 01/20/15 04/19/16 09/15/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15 01/20/15
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 Walter Stephens, Alternate Irene Yanez Bernie Rangel Juan Alvarez, Jr. Jodi King Chris Schexnayder Philip Ruiz, Vice-Chair	12/21/10 02/19/08 05/06/08 06/17/08 07/07/15 03/01/11 01/04/11 06/07/16 01/04/11

COUNCILMEMBER BOARD/COMMISSION APPOINTMENTS

At-Large - Brad Westmoreland	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 & Zoning	Jayson "Tex" Cordova Severo Castillo Gary Shafter Edward Strayer Frank Estrada Terrance Gahan Rebecca Lockhart Dennis Placke Christina Black	12/01/15 12/01/15 08/18/15 12/01/15 12/01/15 12/01/15 12/01/15 11/03/15 09/15/15
	Charter Review Commission (Five member commission) Term - 24 months after appointment	Ray Sanders Bill Hernandez Roland Velvin Elizabeth Raxter Alan Fielder	03/01/16 - Michelson 03/01/16 - Michelson 03/01/16 - Michelson 03/01/16 - Hilburn 03/15/16 - Hilburn
	Sign Review Committee	Gabe Medina Neto Madrigal Terry Black Kenneth Sneed Johnny Barron, Jr. Tim Clark	03/17/15 - Mayor Pro-Tem Sanchez 04/21/15 - Councilmember Mendoza 03/17/15 - Councilmember Hilburn 03/17/15 - Mayor White 03/17/15 - Councilmember Castillo 03/17/15 - Councilmember Michelson

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 9/30/15

Description		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT
General Government																						
Hotel Tax Fund																						
2009 Tax & Revenue		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								520,000
Total Hotel Tax Fund P & I		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000								520,000
LEDC																						
2008 GO Refunding		300,000																				300,000
2015 Tax & Revenue		37,357	48,093	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	1,182,139
Total LEDC Fund P & I		337,357	48,093	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	1,482,139
2015 Capital Projects Fund																						
2015 Tax & Revenue		122,620																				122,620
Total 2015 Capital Projects Fund		122,620	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	122,620
Drainage																						
2008 GO Refunding	31.00%	100,000																				100,000
2015 Tax & Revenue		100,000	116,289	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	2,016,289
Total Drainage Fund P & I		200,000	116,289	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	2,116,289
General Fund																						
2008 GO Refunding		91,210																				91,210
2015 Tax & Revenue		-																				-
Total General Fund P & I		91,210	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91,210
Debt Service Fund																						
2009 Tax & Rev CO's	100.00%	333,210	331,060	328,972	327,883	336,575	329,615	737,655	742,642	741,325	743,920	750,210	749,978	753,440								7,206,485
2006 Tax & Rev CO's	100.00%	50,455	48,815	47,175	50,535	48,690	46,845															292,515
2006-A Tax & Rev CO's	93.00%	266,916	267,594	267,890	267,803	267,332	271,128															1,608,664
2015 Tax & Revenue	12.00%	91,487	117,779	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	2,895,035
Total Debt Service Fund P & I		742,068	765,248	761,816	763,880	770,400	765,511	893,522	898,569	896,868	899,535	905,855	905,839	909,409	160,769	160,517	160,592	160,365	160,602	160,502	160,831	12,002,699
Total General Government		1,533,255	969,630	949,909	951,924	958,503	953,663	1,097,167	1,102,239	1,100,381	1,103,078	1,109,410	1,109,482	1,113,096	326,416	326,061	326,167	325,847	326,181	326,040	326,507	16,334,957

City of Lockhart
Future Debt Payments as of 9/30/15

Description		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	TOTAL DEBT	
Proprietary																							
Electric Fund																							
2008 GO Refunding	3.59%	40,379																				40,379	
2013 SIB Loan	30.81%	71,151	71,151	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				1,280,721
Total Electric Fund P & I		111,530	71,151	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	-	-		1,321,100
Water Fund																							
2006A Tax & Rev CO's	7.00%	20,090	20,142	20,164	20,157	20,122	20,408																121,082
2008 GO Refunding	36.38%	409,192																					409,192
2009 GO Refunding	86.69%	165,829	165,775	165,656	165,477	169,357	168,625	167,709	170,852	169,384	171,937	174,082	171,534	177,194									2,203,410
2015 Tax & Revenue	49.60%	378,148	486,818	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		11,966,146
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	82,676	82,676				1,488,169
Total Water Fund P & I		1,055,935	755,411	755,314	754,632	759,071	759,122	894,633	898,024	894,969	897,820	900,089	898,433	904,540	747,186	746,144	746,454	745,518	746,498	663,406	664,800		16,187,999
Sewer Fund																							
2008 GO Refunding	16.36%	183,990																					183,990
2009 GO Refunding	13.31%	25,461	25,452	25,434	25,407	26,002	25,890	25,749	26,232	26,006	26,398	26,728	26,336	27,206									338,302
2015 Tax & Revenue	4.30%	32,783	42,204	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		1,037,388
2015 Tax & Revenue	TRNSF		170,305	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		4,905,677
2013 SIB Loan	33.39%	77,102	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	77,103	77,102	77,102				1,387,844
Total Sewer Fund P & I		319,336	315,064	331,334	330,973	331,971	332,193	437,979	438,629	437,331	437,915	438,338	438,549	439,721	425,914	425,210	425,421	424,788	425,449	348,067	349,017		7,853,201
Airport Fund																							
2000 Airport	100.00%																						-
Total Airport Fund P & I		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-
Total Proprietary Fund P & I		1,486,801	1,141,626	1,157,799	1,156,757	1,162,193	1,162,466	1,403,764	1,407,804	1,403,451	1,406,887	1,409,579	1,408,133	1,415,412	1,244,252	1,242,505	1,243,026	1,241,458	1,243,099	1,011,473	1,013,817		25,362,300
Grand Total		3,020,056	2,111,256	2,107,708	2,108,681	2,120,696	2,116,129	2,500,931	2,510,043	2,503,832	2,509,965	2,518,989	2,517,615	2,528,508	1,570,668	1,568,566	1,569,193	1,567,305	1,569,280	1,337,513	1,340,324		41,697,257

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
\$14,124,890.00		TOTAL PROJECT COST																																							
\$2,068,024.00	1	DRAINING IMPROVEMENTS CONTRACT 1 - Mesquite/Wichita Street & Richland Drive																																							
\$1,999,200.00	2	DRAINAGE IMPROVEMENTS CONTRACT 2 - Century Oaks/Market Street, & Ash/Comal Streets																																							
\$3,394,038.00	3	DRAINAGE IMPROVEMENTS CONTRACT 3 - Downtown Improvements Project																																							
\$323,400.00	4	DRAINAGE IMPROVEMENTS CONTRACT 4 - Medina & US183 Project																																							
\$1,764,000.00	5	FM 2001 ELEVATED TANK PROJECT																																							

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	SH130 PUMP STATION PROJECT																																							
		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	SH130/TOWN BRANCH SEWER PROJECT																																							
		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	WATER TRANSMISSION MAIN PROJECT - Water Plant Transmission Main, MLK to FM 20 West Transmission Main																																							
		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																																				