

PUBLIC NOTICE

AGENDA - SPECIAL MEETING

LOCKHART CITY COUNCIL

TUESDAY, SEPTEMBER 25, 2018

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

6:30 P.M.

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

Invocation and 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. DISCUSSION/ACTION ITEMS

A. Discussion and/or action to consider Ordinance 2018-24 ratifying a property tax increase for the Fiscal Year 2018-2109.

3-5

B. Discussion and/or action to consider Ordinance 2018-25 adopting the budget and appropriating resources for the Fiscal Year 2018-2019, beginning October 1, 2018 for the City of Lockhart, Caldwell County, Texas.

6-8

C. Discussion and/or action to consider Ordinance 2018-27 repealing un-codified Ordinance 2018-14 in its entirety and adopting this Ordinance regarding the City Personnel Policy Manual; removing performance or merit pay for Police and Fire Personnel and adopting a Step Pay Plan for Police and Fire Departments under Civil Service.

9-18

D. Discussion and/or action to consider Ordinance 2018-26 levying Maintenance and Operations property taxes for the use and support of the City of Lockhart, Texas and Interest and Sinking property taxes for the debt service obligations of the City of Lockhart for Fiscal Year 2019, beginning October 1, 2018 and ending September 30, 2019.

19-21

E. Discussion and/or action to consider Resolution 2018-18 establishing fees to reflect the recovery of 5% vendor rate increases approved recently for residential solid waste collection, disposal recycling services, and commercial waste collection/disposal services and establishing fees for other solid waste services reflecting landfill and disposal rate increases.

22-27

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

- F. Discussion and/or action to consider Ordinance 2018-22 amending the Lockhart Code of Ordinances, Chapter 58, Utilities, Section 58-141, entitled "Definitions" and Section 59-142, entitled "Water Rates" adjusting water rates to cover increased costs of new water supply land leases and for new water supply debt payments. 28-55
- G. Discussion and/or action to consider Ordinance 2018-23 amending Division 2, Electric Rates Computation, Section 58-71 through Section 58-74 adding the Mitigation Rate Charge (MRC) definition and describing its use which does not result in a rate increase. 56-63
- H. Discussion and/or action to consider approval of a service and support agreement and fee of \$4,825 per year with American Signal Corporation (ASC) for the City's early warning siren system, and appointing the Mayor to sign the agreement if approved. 64-73

**5. ADJOURNMENT**

\* 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 21<sup>st</sup> day of September 2018 at 12:20 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



Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|  |                          |   |   |        |
|--|--------------------------|---|---|--------|
| <b>CITY SECRETARY'S USE ONLY</b>   | Reviewed by Finance      | <b>x Yes</b>  | <input type="checkbox"/> Not Applicable |        |
| <input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory   | Reviewed by Legal        | <b>x Yes</b>  | <input type="checkbox"/> Not Applicable |        |
| <b>Council Meeting Date: September 25, 2018</b>  |                          |   |   |        |
| Department: Finance  |                          | Initials  | Date                                    |        |
| Department Head: Pam Larison   | Asst. City Manager       |   |   |        |
| Dept. Signature:   | City Manager             |   | 9-21-2018                               |        |
| Agenda Item Coordinator/Contact (include phone #): Pam Larison 398-3461 x229   |                          |   |   |        |
| <b>ACTION REQUESTED:</b> <b>x ORDINANCE</b> <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  |                          |   |   |        |
| <b>CAPTION</b>   |                          |   |   |        |
| DISCUSSION AND/OR ACTION FOR COUNCIL TO CONSIDER ORDINANCE 2018-24 RATIFYING A PROPERTY TAX INCREASE FOR THE FISCAL YEAR 2018-2019.  |                          |   |   |        |
| <b>FINANCIAL SUMMARY</b>   |                          |   |   |        |
| <b>x N/A</b> <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<br>(CIP ONLY) | CURRENT<br>YEAR                                     | FUTURE<br>YEARS                         | TOTALS |
| Budget   |                          |   |   | \$0.00 |
| Budget Amendment Amount  |                          |   |   | \$0.00 |
| Encumbered/Expended Amount   |                          |   |   | \$0.00 |
| This Item  |                          |   |   | \$0.00 |
| <b>BALANCE</b>   | \$0.00                   | \$0.00  | \$0.00                                  | \$0.00 |
| <b>FUND(S):</b>  |                          |   |   |        |
| <b>SUMMARY OF ITEM</b>   |                          |   |   |        |
| The ordinance referenced above is required by state law.   |                          |   |   |        |
| <b>STAFF RECOMMENDATION</b>  |                          |   |   |        |
| Staff recommends approval of the ordinance.  |                          |   |   |        |
| List of Supporting Documents:  |                          | Other Departments, Boards, Commissions or Agencies: |   |        |
| Copy of the document.  |                          |   |   |        |

ORDINANCE NO. 2018-24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS RATIFYING A PROPERTY TAX INCREASE OF 5.648878 PERCENT FOR THE FISCAL YEAR 2018-2019 FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT FOR THE CITY OF LOCKHART; AND PROVIDING FOR A PUBLICATION CLAUSE, SEVERABILITY CLAUSE, AND REPEALING CLAUSE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS:

**SECTION I.**

That this budget will raise more total property taxes than last year's budget by \$301,512 or 8.078951%, and of that amount \$80,197 is tax revenue to be raised from new property added to the tax -roll this year based on an ad valorem rate of 71.07 cents per each 100 dollars property valuation.

**SECTION II.**

That the 2018 taxable value on the 2018 certified appraisal roll totals \$649,400,997 compared to \$569,798,786 in 2017. An additional \$21,317,722 of taxable value is still under protest.

**SECTION III.**

That the proposed Fiscal Year 2019 Budget and Tax Levy shall be adopted in separate ordinances and will become effective October 1, 2018, and end September 30, 2019.

**SECTION IV.           Publication Clause**

The City Secretary of the City of Lockhart is hereby authorized and directed to publish the caption of this ordinance in the manner and for the length of time prescribed by law.

**SECTION V.           Severability Clause**

The provisions of this ordinance are severable, and if any sentence, section, or other parts of this ordinance should be found to be invalid, such invalidity shall not affect the remaining provisions, and the remaining provisions shall continue in full force and effect.

**SECTION VI.           Repealing Clause**

All ordinances and resolutions and parts thereof in conflict herewith are hereby expressly repealed insofar as they conflict.

**SECTION VII.**

This ordinance shall take effect and be in force from and after its passage.

**PASSED and APPROVED this the 25<sup>th</sup> day of September 2018.**

**CITY OF LOCKHART**

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

ATTEST:

APPROVED AS TO FORM:

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

\_\_\_\_\_  
Peter Gruning, City Attorney



Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|   |                          |   |   |        |
|---|--------------------------|---|---|--------|
| <b>CITY SECRETARY'S USE ONLY</b><br><input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory  | Reviewed by Finance      | <b>x Yes</b>  | <input type="checkbox"/> Not Applicable |        |
|   | Reviewed by Legal        | <b>x Yes</b>  | <input type="checkbox"/> Not Applicable |        |
| <b>Council Meeting Date: September 25, 2018</b>   |                          |   |   |        |
| Department: Finance   |                          | Initials  | Date                                    |        |
| Department Head: Pam Larison  | Asst. City Manager       |   |   |        |
| Dept. Signature:  | City Manager             |   | 9-21-2018                               |        |
| Agenda Item Coordinator/Contact (include phone #): Pam Larison 398-3461 x229  |                          |   |   |        |
| <b>ACTION REQUESTED:</b> <b>x ORDINANCE</b> <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER |                          |   |   |        |
| <b>CAPTION</b>  |                          |   |   |        |
| DISCUSSION AND/OR ACTION FOR COUNCIL TO CONSIDER ORDINANCE 2018-25 ADOPTING THE BUDGET AND APPROPRIATING RESOURCES FOR THE FISCAL YEAR 2018-2019, BEGINNING OCTOBER 1, 2018 FOR THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS  |                          |   |   |        |
| <b>FINANCIAL SUMMARY</b>  |                          |   |   |        |
| <input checked="" 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<br>(CIP ONLY) | CURRENT<br>YEAR                                     | FUTURE<br>YEARS                         | TOTALS |
| Budget  |                          |   |   | \$0.00 |
| Budget Amendment Amount   |                          |   |   | \$0.00 |
| Encumbered/Expended Amount  |                          |   |   | \$0.00 |
| This Item   |                          |   |   | \$0.00 |
| <b>BALANCE</b>  | \$0.00                   | \$0.00  | \$0.00                                  | \$0.00 |
| <b>FUND(S):</b>   |                          |   |   |        |
| <b>SUMMARY OF ITEM</b>  |                          |   |   |        |
| The ordinance will represent Council's action to adopt the City of Lockhart's FY 2018-2019 Budget.  |                          |   |   |        |
| <b>STAFF RECOMMENDATION</b>   |                          |   |   |        |
| Staff recommends approval of the ordinance.   |                          |   |   |        |
| List of Supporting Documents:   |                          | Other Departments, Boards, Commissions or Agencies: |   |        |
| Copy of the document.   |                          |   |   |        |

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**ORDINANCE 2018-25**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS  
ADOPTING THE BUDGET AND APPROPRIATING RESOURCES FOR THE FISCAL  
YEAR 2018-2019, BEGINNING OCTOBER 1, 2018 FOR THE CITY OF LOCKHART,  
CALDWELL COUNTY, TEXAS**

**WHEREAS**, pursuant to the laws of the State of Texas for Home Rule cities and the City Charter for the City of Lockhart, Texas, the budget covering proposed estimated revenues and expenditures for Fiscal Year 2019, beginning October 1, 2018 and ending September 30, 2019, was filed with the City Secretary and notice of public hearing was provided as required, and,

**WHEREAS**, a public hearing was held by the City Council of the City of Lockhart, Texas, on said budget on September 4, 2018 at which time said budget was presented and considered, and interested citizens were provided an opportunity to be heard by the City Council of the City of Lockhart, and,

**WHEREAS**, the City Council, City Manager and staff, after careful deliberate study and considerable debate, have determined the appropriate revenues and expenditures necessary for the maintenance and operations of the City of Lockhart for Fiscal Year 2019.

**THEREFORE, BE IT RESOLVED**, that the City Council of the CITY OF LOCKHART hereby adopts the Fiscal Year 2019 annual budget providing for revenues and expenditures as follows:

| <b>Name</b>               | <b>Revenues</b> | <b>Undesignated Fund Balance</b> | <b>Total Revenue &amp; Sources of Funds</b> | <b>Expenditures</b>    |
|---------------------------|-----------------|----------------------------------|---|------------------------|
| General Fund              | \$ 10,098,400   | \$ 0                             | \$ 10,098,400                               | \$(10,098,400)         |
| Debt Service Fund         | 1,070,421       | 21,734                           | 1,092,155                                   | (1,092,155)            |
| Electric Fund             | 10,879,951      | 0                                | 10,879,951                                  | (10,879,951)           |
| Water Fund                | 3,936,429       | 0                                | 3,936,429                                   | (3,936,429)            |
| Wastewater Fund           | 2,218,390       | 0                                | 2,218,390                                   | (2,218,390)            |
| Solid Waste Fund          | 1,769,652       | 0                                | 1,769,652                                   | (1,715,336)            |
| Emergency Medical Service | 1,263,348       | 0                                | 1,263,348                                   | (1,263,348)            |
| Airport Fund              | 75,109          | (33,609)                         | 41,500                                      | (41,500)               |
| Trust & Agency Funds      | 4,029           | 13,131                           | 17,160                                      | (17,160)               |
| Misc Utility Funds        | 671,500         | 11,955,143                       | 12,626,643                                  | (12,626,643)           |
| Capital Funds             | 68,150          | 4,283,775                        | 4,351,925                                   | (4,351,925)            |
| Special Revenue Funds     | 1,052,220       | 1,965,858                        | 3,018,078                                   | (3,018,078)            |
| LEDC                      | \$ 884,689      | \$ 2,690,426                     | 3,575,115                                   | (3,575,115)            |
|                           |                 |                                  | <b>\$ 54,888,746</b>                        | <b>\$ (54,834,430)</b> |

PASSED, APPROVED and ADOPTED this the 25<sup>th</sup> day of September 2018.

CITY OF LOCKHART

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

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ATTEST:

APPROVED AS TO FORM:

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Connie Constancio, TRMC  
City Secretary

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Peter Gruning  
City Attorney





Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|  |                     |                              |   |
|--|---------------------|------------------------------|---|
| <b>CITY SECRETARY'S USE ONLY</b><br><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 |
| <b>Council Meeting Date: September 25, 2018</b>  |                     |                              |   |
| Department: City Manager   |                     | Initials                     | Date                                    |
| Department Head: Vance Rodgers   | Asst. City Manager  |                              |   |
| Dept. Signature: <i>Vance Rodgers</i>  | City Manager        | <i>[Signature]</i>           | <i>9-18-18</i>                          |
| Agenda Item Coordinator/Contact (include phone #): Vance Rodgers   |                     |                              |   |

**ACTION REQUESTED:**  **ORDINANCE**    RESOLUTION    CHANGE ORDER    AGREEMENT  
 APPROVAL OF BID    AWARD OF CONTRACT    CONSENSUS    OTHER

**CAPTION**

**DISCUSSION AND/OR ACTION TO CONSIDER APPROVAL OF ORDINANCE 2018-27 THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS; REPEALING UN-CODIFIED ORDINANCE 2018-14 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**FINANCIAL SUMMARY**

N/A    GRANT FUNDS    OPERATING EXPENSE    REVENUE    CIP    BUDGETED    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 |
| <b>BALANCE</b>             | \$0.00                | \$0.00       | \$0.00       | \$0.00 |

**FUND(S):**

**SUMMARY OF ITEM**

Council approved a 10% percent increase for police officers effective October 1, 2018. In compliance with Civil Service, classified police & fire positions are paid per a pay step plan, which is set by ordinance. The proposed ordinance reflects the 10% percent increase for police.

**STAFF RECOMMENDATION**

The Police Chief, Civil Service Director, and City Manager respectfully recommend approval of Ord 2018-27.

|  |   |
|--|---|
| List of Supporting Documents: Ord 2018-14, proposed Ord 2018-27, Council budget workshop backup. | Other Departments, Boards, Commissions or Agencies: |
|--|---|

# PROPOSED

## ORDINANCE NO. 2018-27

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS; REPEALING UN-CODIFIED ORDINANCE 2018-14 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Lockhart adopted a personnel policy manual on April 8, 1986; and

**WHEREAS**, certain sections address pay issues; and

**WHEREAS**, due to the implementation of Chapter 143 of the Texas Local Government Code for the Police Officers and Fire Fighters, “merit” pay for classified police officers and fire fighters must be abolished; and

**WHEREAS**, due to the implementation of Chapter 143 of the Texas Local Government Code for the Police Officers and Fire Fighters, classified police officers and fire fighters are going to be paid according to a “Step Plan”; and

**WHEREAS**, due to consideration of Police salaries and a need to enhance hiring and retention of qualified personnel, the step pay plan for police classified personnel must be adjusted; and

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

- I. The matters and facts set forth in the preamble are hereby found to be true.
- II. The following Step Pay Plans for the Fire Department (Exhibit “A”) and Police Department (Exhibit “B”) are expressly incorporated by reference and adopted for classified members of the Lockhart Fire Department and Lockhart Police Department.
- III. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision, or regulation.

# PROPOSED

IV. Repealer: That all other ordinances, section, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

V. Publication: That the City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

VI. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

VII. Effective Date: That this ordinance shall become effective on October 1, 2018.

**PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 25<sup>th</sup> DAY OF SEPTEMBER, 2018.**

CITY OF LOCKHART

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

ATTEST:

APPROVED AS TO FORM:

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

\_\_\_\_\_  
Peter Gruning, City Attorney

# PROPOSED

| <b>Fire Department Step Pay Plan</b><br><b>Civil Service Personnel</b><br><b>Rate Per Hour</b><br><i>*Effective June 30, 2018</i> |          |          |          |          |            |  |
|---|----------|----------|----------|----------|------------|--|
| <b>Tenure<sup>1</sup></b>   |          |          |          |          |            |  |
| <b>Firefighter/EMT</b><br>Per Hour  | <b>0</b> | <b>2</b> | <b>4</b> | <b>6</b> | <b>8+</b>  |  |
|   | \$13.87  | \$14.38  | \$15.07  | \$15.75  | \$16.10    |  |
| <b>Tenure</b>   |          |          |          |          |            |  |
| <b>Fire Engineer</b><br>Per Hour  | <b>0</b> | <b>3</b> | <b>6</b> | <b>9</b> | <b>12+</b> |  |
|   | \$15.41  | \$15.75  | \$16.44  | \$16.78  | \$17.12    |  |
| <b>Tenure</b>   |          |          |          |          |            |  |
| <b>Captain</b><br>Per Hour  | <b>0</b> | <b>3</b> | <b>6</b> | <b>9</b> | <b>12+</b> |  |
|   | \$17.12  | \$17.81  | \$18.15  | \$18.49  | \$18.84    |  |
| <b>Tenure<sup>2</sup></b>   |          |          |          |          |            |  |
| <b>Assistant Chief</b><br>Per Hour  | <b>0</b> | <b>3</b> | <b>6</b> | <b>9</b> | <b>12+</b> |  |
|   | \$26.44  | \$26.92  | \$27.40  | \$27.88  | \$28.85    |  |

## EXHIBIT "A"

<sup>1</sup> "Tenure" is tenure from the hire date. Therefore, step progression is based on years with the Department, not time in rank.

<sup>2</sup> The Assistant Fire Chief will be exempt from overtime and will be paid on a salary basis.

# PROPOSED

| Police Department<br>Civil Service Personnel<br>Rate Per Hour<br><i>Effective October 1, 2018</i> |         |         |         |         |         |         |         |         |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| <u>Tenure<sup>1</sup></u>   |         |         |         |         |         |         |         |         |
| Police Cadet<br>Per Hour  | 0       |         |         |         |         |         |         |         |
|   | \$17.60 |         |         |         |         |         |         |         |
| <u>Tenure</u>   |         |         |         |         |         |         |         |         |
| Police Officer<br>Per Hour  | 0       | 1       | 2       | 4       | 6       | 8       | 10      | 12+     |
|   | \$23.07 | \$23.67 | \$24.28 | \$24.89 | \$25.64 | \$26.41 | \$27.20 | \$28.02 |
| <u>Tenure</u>   |         |         |         |         |         |         |         |         |
| Sergeant<br>Per Hour  | 2       | 4       | 6       | 8       | 10+     |         |         |         |
|   | \$28.56 | \$29.16 | \$30.11 | \$31.09 | \$32.10 |         |         |         |
| <u>Tenure</u>   |         |         |         |         |         |         |         |         |
| Lieutenant<br>Per Hour  | 4       | 6       | 8+      |         |         |         |         |         |
|   | \$32.52 | \$33.65 | \$34.84 |         |         |         |         |         |
| <u>Tenure</u>   |         |         |         |         |         |         |         |         |
| Captain<br>Per Hour   | 4       | 6+      |         |         |         |         |         |         |
|   | \$34.95 | \$37.05 |         |         |         |         |         |         |

## EXHIBIT "B"

<sup>1</sup> "Tenure" is tenure from the hire date. Therefore, step progression is based on years with the Department, not time in rank.

**CITY OF LOCKHART POLICE DEPT-RECOMMENDED PROPOSED STEP PAY PLAN  
OCTOBER, 2018**

**PRESENTED August 9, 2018 DURING COUNCIL BUDGET WORKSHOP**

| RECOMMENDED PROPOSED STEP<br>PAY PLAN 10% INCREASE Per Hour |           |           |           |           |           |          |          |          |            | # Positions       | Est. Addl' Cost<br>FY 18-19 |           |
|---|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|------------|-------------------|-----------------------------|-----------|
| Tenure  | 1         |           |           |           |           |          |          |          |            |                   |                             |           |
| Police Cadet  | \$ 1.60   |           |           |           |           |          |          |          |            |                   |                             |           |
| # of Officers   | 0.1       |           |           |           |           |          |          |          |            | 0.1               |                             |           |
|   | \$ 277    |           |           |           |           |          |          |          |            |                   | \$ 277                      |           |
| Tenure  | 0         | 1         | 2         | 4         | 6         | 8        | 10       | 12+      |            |                   |                             |           |
| Police Officer  | \$ 2.10   | 2.15      | 2.21      | 2.26      | 2.33      | 2.40     | 2.47     | 2.55     |            |                   |                             |           |
| # of Officers   | 2.6       | 5.1       | 4.2       | 4.0       | 2.7       | 1.2      | 0.7      | 0.3      | 20.9       |                   |                             |           |
| Increased Costs   | \$ 11,223 | \$ 22,828 | \$ 19,487 | \$ 18,828 | \$ 13,299 | \$ 6,218 | \$ 3,416 | \$ 1,759 |            | \$ 97,058         |                             |           |
| Tenure  | 2         | 4         | 6         | 8         | 10+       |          |          |          |            |                   |                             |           |
| Sergeant  | \$ 2.60   | 2.65      | 2.74      | 2.83      | 2.92      |          |          |          |            |                   |                             |           |
| # Of officers   |           |           | 1.0       |           | 3.0       |          |          |          |            | 4.0               |                             |           |
| Increased Costs   | \$ -      | \$ -      | \$ 5,693  | \$ -      | \$ 18,208 |          |          |          |            |                   | \$ 23,901                   |           |
| Tenure  | 4         | 6         | 8+        |           |           |          |          |          |            |                   |                             |           |
| Lieutenant  | \$ 2.96   | 3.05      | 3.17      |           |           |          |          |          |            |                   |                             |           |
| # of Officers   |           |           | 2.0       |           |           |          |          |          |            |                   | 2.0                         |           |
| Increased Costs   | \$ -      | \$ -      | \$ 13,175 |           |           |          |          |          |            |                   |                             | \$ 13,175 |
| Tenure  | 4         | 6+        |           |           |           |          |          |          |            |                   |                             |           |
| Captain   | \$ 3.18   | 3.37      |           |           |           |          |          |          |            |                   |                             |           |
| # of Officers   |           | 1.0       |           |           |           |          |          |          |            |                   | 1.0                         |           |
| Increased Costs   | \$ -      | \$ 7,005  |           |           |           |          |          |          |            |                   |                             | \$ 7,005  |
| <b>Totals</b>   |           |           |           |           |           |          |          |          | <b>28</b>  | <b>\$ 141,416</b> |                             |           |
| <b>OT</b>   |           |           |           |           |           |          |          |          | <b>8%</b>  | <b>\$ 11,313</b>  |                             |           |
| <b>Benefits</b>   |           |           |           |           |           |          |          |          | <b>24%</b> | <b>\$ 36,655</b>  |                             |           |
| <b>Total</b>  |           |           |           |           |           |          |          |          |            | <b>\$ 189,385</b> |                             |           |

14

# CURRENT

## ORDINANCE NO. 2018-14

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS; REPEALING UN-CODIFIED ORDINANCE 2016-07 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Lockhart adopted a personnel policy manual on April 8, 1986; and

**WHEREAS**, certain sections address pay issues; and

**WHEREAS**, due to the implementation of Chapter 143 of the Texas Local Government Code for the Police Officers and Fire Fighters, “merit” pay for classified police officers and fire fighters must be abolished; and

**WHEREAS**, due to the implementation of Chapter 143 of the Texas Local Government Code for the Police Officers and Fire Fighters, classified police officers and fire fighters are going to be paid according to a “Step Plan”; and

**WHEREAS**, due to consideration of restructuring of fire classification abolishing the Fire Prevention/Fire Marshal position, and creating the rank of Assistant Chief, the step pay plan for fire classified personnel should be amended; and

**WHEREAS**, due to consideration of Fire salaries and a need to enhance hiring and retention of qualified personnel, the step pay plan for fire classified personnel must be adjusted; and

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

- I. The matters and facts set forth in the preamble are hereby found to be true.
- II. The following Step Pay Plans for the Fire Department (Exhibit “A”) and Police Department (Exhibit “B”) are expressly incorporated by reference and adopted for classified members of the Lockhart Fire Department and Lockhart Police Department.
- III. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail

# CURRENT

by way of reasons of any unconstitutionality or invalidity of any other portion, provision, or regulation.

IV. Repealer: That all other ordinances, section, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

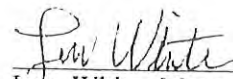
V. Publication: That the City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

VI. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.


VII. Effective Date: That this ordinance shall become effective on June 30, 2018.

**PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 5<sup>th</sup> DAY OF JUNE, 2018.**


CITY OF LOCKHART

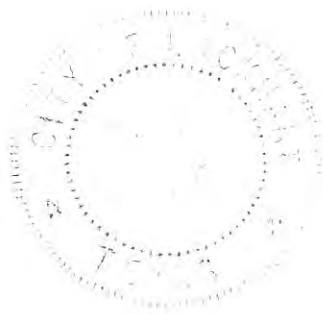
  
Lew White, Mayor

ATTEST:

  
Connie Constancio, TRMC, City Secretary

APPROVED AS TO FORM:

  
Peter Gruning, City Attorney





# CURRENT

| Fire Department Step Pay Plan<br>Civil Service Personnel<br>Rate Per Hour<br><i>*Effective June 30, 2018</i> |         |         |         |         |         |  |
|--|---------|---------|---------|---------|---------|--|
| <b>Tenure<sup>1</sup></b>  |         |         |         |         |         |  |
| Firefighter/EMT<br>Per Hour  | 0       | 2       | 4       | 6       | 8+      |  |
|  | \$13.87 | \$14.38 | \$15.07 | \$15.75 | \$16.10 |  |
| <b>Tenure</b>  |         |         |         |         |         |  |
| Fire Engineer<br>Per Hour  | 0       | 3       | 6       | 9       | 12+     |  |
|  | \$15.41 | \$15.75 | \$16.44 | \$16.78 | \$17.12 |  |
| <b>Tenure</b>  |         |         |         |         |         |  |
| Captain<br>Per Hour  | 0       | 3       | 6       | 9       | 12+     |  |
|  | \$17.12 | \$17.81 | \$18.15 | 18.49   | \$18.84 |  |
| <b>Tenure<sup>2</sup></b>  |         |         |         |         |         |  |
| Assistant Chief<br>Per Hour  | 0       | 3       | 6       | 9       | 12+     |  |
|  | \$26.44 | \$26.92 | \$27.40 | \$27.88 | \$28.85 |  |

## EXHIBIT "A"

<sup>1</sup> "Tenure" is tenure from the hire date. Therefore, step progression is based on years with the Department, not time in rank.

<sup>2</sup> The Assistant Fire Chief will be exempt from overtime and will be paid on a salary basis.

# CURRENT

| Police Department<br>Civil Service Personnel<br>Rate Per Hour<br>Effective March 1, 2016 |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|
| <u>Tenure</u>  |         |         |         |         |         |         |         |         |
| Police Cadet<br>Per Hour   | 0       |         |         |         |         |         |         |         |
|  | 16.00   |         |         |         |         |         |         |         |
| <u>Tenure</u>  |         |         |         |         |         |         |         |         |
| Police Officer<br>Per Hour   | 0       | 1       | 2       | 4       | 6       | 8       | 10      | 12+     |
|  | \$20.97 | \$21.52 | \$22.07 | \$22.63 | \$23.31 | \$24.01 | \$24.73 | \$25.47 |
| <u>Tenure</u>  |         |         |         |         |         |         |         |         |
| Sergeant<br>Per Hour   | 2       | 4       | 6       | 8       | 10+     |         |         |         |
|  | \$25.96 | \$26.51 | \$27.37 | \$28.26 | \$29.18 |         |         |         |
| <u>Tenure</u>  |         |         |         |         |         |         |         |         |
| Lieutenant<br>Per Hour   | 4       | 6       | 8+      |         |         |         |         |         |
|  | \$29.56 | \$30.59 | \$31.67 |         |         |         |         |         |
| <u>Tenure</u>  |         |         |         |         |         |         |         |         |
| Captain<br>Per Hour  | 4       | 6+      |         |         |         |         |         |         |
|  | \$31.77 | \$33.68 |         |         |         |         |         |         |

## EXHIBIT "B"



Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|   |                          |                 |   |        |
|---|--------------------------|-----------------|---|--------|
| <b>CITY SECRETARY'S USE ONLY</b><br><input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory  | Reviewed by Finance      | <b>x Yes</b>    | <input type="checkbox"/> Not Applicable |        |
|   | Reviewed by Legal        | <b>x Yes</b>    | <input type="checkbox"/> Not Applicable |        |
| <b>Council Meeting Date: September 25, 2018</b>   |                          |                 |   |        |
| Department: Finance   |                          | Initials        | Date                                    |        |
| Department Head: Pam Larison  | Asst. City Manager       |                 |   |        |
| Dept. Signature:  | City Manager             | <b>VR</b>       | <b>9-21-2018</b>                        |        |
| Agenda Item Coordinator/Contact (include phone #): Pam Larison 398-3461 x229  |                          |                 |   |        |
| <b>ACTION REQUESTED:</b> <b>x ORDINANCE</b> <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER   |                          |                 |   |        |
| <b>CAPTION</b>  |                          |                 |   |        |
| DISCUSSION AND/OR ACTION FOR COUNCIL TO CONSIDER ORDINANCE 2018-26 LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART FOR FISCAL YEAR 2019, BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019. |                          |                 |   |        |
| <b>FINANCIAL SUMMARY</b>  |                          |                 |   |        |
| <b>x N/A</b> <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<br>(CIP ONLY) | CURRENT<br>YEAR | FUTURE<br>YEARS                         | TOTALS |
| Budget  |                          |                 |   | \$0.00 |
| Budget Amendment Amount   |                          |                 |   | \$0.00 |
| Encumbered/Expended Amount  |                          |                 |   | \$0.00 |
| This Item   |                          |                 |   | \$0.00 |
| <b>BALANCE</b>  | \$0.00                   | \$0.00          | \$0.00                                  | \$0.00 |
| <b>FUND(S):</b>   |                          |                 |   |        |
| <b>SUMMARY OF ITEM</b>  |                          |                 |   |        |
| The ordinance will represent Council's action to adopt the property taxes levy. Please take a record vote and use the following wording when making the motion:   |                          |                 |   |        |
| <b>I move that the property tax rate be increased by the adoption of a tax rate of 71.07 cents per 100 dollars taxable value, or an increase of 5.648878 percent in total tax revenues from properties on the tax roll in the preceding year.</b>   |                          |                 |   |        |
| <b>STAFF RECOMMENDATION</b>   |                          |                 |   |        |
| Staff recommends approval of the ordinance.   |                          |                 |   |        |

ORDINANCE 2018-26

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART RESULTING IN A TAX INCREASE OF 5.648878 PERCENT FOR FISCAL YEAR 2019, BEGINNING OCTOBER 1, 2018 AND ENDING SEPTEMBER 30, 2019, AND APPROPRIATING EACH PART THEREOF FOR THE SPECIFIC PURPOSES, PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEALER; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the State Legislature enacted Senate Bill 18, which mandated that municipal ordinances establishing annual tax rates must describe an increase in total maintenance and operations taxes compared to the previous year, and the rise of such taxes on a \$100,000 home compared to the previous year.

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

1. There is hereby levied and shall be collected a maintenance and operations (M&O) property tax for the use and support of the municipal government of the City of Lockhart, Texas and there is hereby levied and shall be collected an interest and sinking (I&S) property tax to provide for the debt service obligations of the City of Lockhart for Fiscal Year 2019, beginning October 1, 2018, upon all taxable property, within the corporate limits of the City of Lockhart, Texas, as follows:
  - a. For the maintenance and operations needs of the City of Lockhart the maintenance and operations (M&O) property tax is hereby adopted as 60.31 cents per each 100 dollars of property valuation. The tax rate will raise more taxes for maintenance and operations than last year's tax rate. The tax rate will effectively be raised by 7.1035 percent and will raise taxes for maintenance and operations on a \$100,000 home by approximately \$40.00; and,
  - b. For the debt service obligations of the City of Lockhart interest and sinking (I&S) property tax is hereby adopted as 10.76 cents per each 100 dollars of property valuation.
2. All taxes levied under the Ordinance for the specific purposes named herein shall be and is hereby approved to be collected and appropriated to the account(s) of the City of Lockhart for the specific purpose indicated in each items a and b above, by the Property Tax Assessor/Collector of the City of Lockhart.
3. Severability: if any provision, section, clause, sentence or phrase of this Ordinance is for any reason held to be unconstitutional, void, invalid, or unenforceable, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and approving this ordinance that no portion, provision, or regulation contained herein shall be inoperative or fail by any reasons of any unconstitutionality or invalidity of any other portion, provision or regulation.
4. Repeal: That all other ordinances, sections, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with provisions set out above in this ordinance are hereby repealed or amended as indicated.
5. Effective date: This ordinance shall become effective and be in full force immediately upon its passage.

PASSED, APPROVED and ADOPTED this the 25<sup>th</sup> day of September 2018.

CITY OF LOCKHART

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

ATTEST:

APPROVED AS TO FORM:

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

\_\_\_\_\_  
Peter Gruning  
City Attorney



Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|   |                          |                     |   |   |           |
|---|--------------------------|---------------------|---|---|-----------|
| <b>CITY SECRETARY'S USE ONLY</b><br><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 |           |
| <b>Council Meeting Dates:</b> September 25, 2018  |                          |                     |   |   |           |
| Department: City Manager  |                          |                     | Initials  | Date                                    |           |
| Department Head: Vance Rodgers  |                          | Asst. City Manager  |   |   |           |
| Dept. Signature: <i>Vance Rodgers</i>   |                          | City Manager        |   | <i>VR</i>                               | 9-17-2018 |
| Agenda Item Coordinator/Contact (include phone #): Vance Rodgers  |                          |                     |   |   |           |
| <b>ACTION REQUESTED:</b> <input type="checkbox"/> ORDINANCE <input checked="" type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER  |                          |                     |   |   |           |
| <b>CAPTION</b>  |                          |                     |   |   |           |
| <b>DISCUSSION AND/OR ACTION TO CONSIDER RESOLUTION 2018-18 ESTABLISHING FEES TO REFLECT THE RECOVERY OF 5% VENDOR RATE INCREASES APPROVED RECENTLY FOR RESIDENTIAL SOLID WASTE COLLECTION, DISPOSAL, RECYCLING SERVICES, AND COMMERCIAL WASTE COLLECTION/DISPOSAL SERVICES AND ESTABLISHING FEES FOR OTHER SOLID WASTE SERVICES REFLECTING LANDFILL AND DISPOSAL RATE INCREASES</b> |                          |                     |   |   |           |
| <b>FINANCIAL SUMMARY</b>  |                          |                     |   |   |           |
| <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<br>(CIP ONLY) | CURRENT<br>YEAR     | FUTURE<br>YEARS                                     | TOTALS                                  |           |
| Budget  |                          |                     |   | \$0.00                                  |           |
| Budget Amendment Amount   |                          |                     |   | \$0.00                                  |           |
| Encumbered/Expended Amount  |                          |                     |   | \$0.00                                  |           |
| This Item   |                          |                     |   | \$0.00                                  |           |
| <b>BALANCE</b>  | \$0.00                   | \$0.00              | \$0.00  | \$0.00                                  |           |
| <b>FUND(S):</b>   |                          |                     |   |   |           |
| <b>SUMMARY OF ITEM</b>  |                          |                     |   |   |           |
| During the current budget process, information was provided to the Council and the public regarding the current contract with Central Texas Refuse and the contractual increases  |                          |                     |   |   |           |
| <b>STAFF RECOMMENDATION</b>   |                          |                     |   |   |           |
| City Manager respectfully requests approval of Resolution 2018-16 as presented  |                          |                     |   |   |           |
| List of Supporting Documents:<br>Resolution 2018-18   |                          |                     | Other Departments, Boards, Commissions or Agencies: |   |           |

**RESOLUTION 2018-18**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ESTABLISHING FEES TO REFLECT 5% VENDOR RATE INCREASES FOR RESIDENTIAL SOLID WASTE COLLECTION, DISPOSAL, AND RECYCLING SERVICES, AND COMMERCIAL WASTE COLLECTION/DISPOSAL SERVICES, AND ESTABLISHING FEES FOR OTHER SOLID WASTE SERVICES REFLECTING LANDFILL AND DISPOSAL RATE INCREASES.**

**WHEREAS**, the Lockhart City Council finds that providing solid waste collection and disposal services for the citizens of Lockhart is necessary for the health, safety and welfare of the community; and

**WHEREAS**, the Lockhart City Council recognizes that fees must be established and collected for the use of City/Contactor supplied trash carts/bins to pay for the services to collect, transport, and dispose of solid waste for Lockhart residents and businesses; and

**WHEREAS**, the Lockhart City Council also recognizes that landfill and disposal rate increases require increases in city solid waste service rates.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, THAT THE FOLLOWING RATES FOR SOLID WASTE COLLECTION, TRANSPORTING AND DISPOSAL ARE HEREBY ADOPTED AND SHALL BE EFFECTIVE STARTING THE 1<sup>ST</sup> BILLING CYCLE IN OCTOBER, 2018.**

|  | <u>RATES</u>         |
|--|----------------------|
| I. Residential Hand Collection fee per month with 95 gallon cart<br>(each dwelling unit)   | \$ 20.36             |
| II. Residential Senior Hand Collection fee per month with 95 gallon cart<br>(each dwelling unit) (includes \$6.50 discount if qualified) 35 gallon cart    | \$ 12.63<br>\$ 12.63 |
| III. Residential Disabled Hand Collection fee per month with 95 gallon cart<br>(each dwelling unit) (includes \$6.50 discount if qualified) 35 gallon cart | \$ 12.63<br>\$ 12.63 |
| IV. Residential, Senior, Disabled fee per month for <u>extra</u> 95 gallon cart<br><u>extra</u> 35 gallon cart   | \$ 5.93<br>\$ 5.93   |
| V. Commercial Hand Collection fee per month with 95 gallon cart<br>(each commercial unit)  | \$ 32.70             |
| VI. Commercial Hand Collection fee per month extra 95 gallon cart<br>(each commercial unit)  | \$ 32.70             |
| VII. Residential Dwelling Unit with Trash Bin Collection-Minimum Charge<br>(each dwelling unit)  | \$ 20.36             |
| VIII. Commercial Unit with Trash Bin Collections-Minimum Charge  | \$ 32.70             |
| IX. Residential solid waste requiring special handling:  |                      |

|   |          |
|---|----------|
| 1. Rates for bundle waste:  |          |
| i. Minimum one-fourth hour  | \$ 6.00  |
| ii. One-half hour   | \$ 12.00 |
| iii. Three-fourths hour   | \$ 18.00 |
| iv. Hourly rate   | \$ 24.00 |
| 2. Rates for bulky waste:   |          |
| i. Minimum (bulky with refrigerant gases) each item   | \$ 38.00 |
| ii. Minimum (bulky without refrigerant gases) each item   | \$ 12.00 |
| iii. Minimum ½ hour other bulky including large limbs   | \$ 20.00 |
| iv. Three-fourths hour  | \$30.00  |
| v. Each hour  | \$40.00  |
| 3. Brush Chipping Services (not to exceed 12 cubic yard per visit;<br>Limbs not over 8" in diameter, otherwise bulky rates apply) |          |
| i. Minimum per 1/4 hour   | \$ 10.00 |

X. Public Works Site Disposal Fees

Note: Should the City elect not to accept the materials listed below, it is still the responsibility of the owner and/or occupant of the premises to properly collect and dispose of the waste material.

|   |          |
|---|----------|
| (1) For residential utility customers per cubic yard                | \$ 4.00  |
| a. Maximum of up to three 35-gallon containers, per trip            | \$ 4.00  |
| b. Pickup truck, per trip (max. four cubic yards)                   | \$ 16.00 |
| c. Two-wheel trailers, per trip (max. eight cubic yards)            | \$ 32.00 |
| d. Pickup trucks with sideboards, per trip (max. eight cubic yards) | \$ 32.00 |
| e. Four-wheel trailers, per trip (max. 16 cubic yards)              | \$ 40.00 |
| f. Single axle dump truck, per trip (max. six cubic yards)          | \$ 50.00 |
| g. Tandem dump truck, per trip (max. 12 cubic yards)                | \$ 60.00 |
| (2) For nonresidential utility customers, per cubic yard            | \$ 8.50  |
| a. Maximum of up to three 35-gallon containers, per trip            | \$ 8.50  |
| b. Pickup truck, per trip (max. four cubic yards)                   | \$ 18.00 |
| c. Two-wheel trailers, per trip (max. eight cubic yards)            | \$ 36.00 |
| d. Pickup trucks with sideboards, per trip (max. eight cubic yards) | \$ 26.00 |
| e. Four-wheel trailers, per trip (max. 16 cubic yards)              | \$ 48.00 |
| f. Single axle dump truck, each trip (max. six cubic yards)         | \$ 56.00 |



g. Tandem dump truck, per trip (max 12 cubic yards) \$100.00

Note: Debris and waste from demolitions of structures with more than 120 square feet will not be accepted. The contractor or owner must transport or contract for transport and disposal of such material to an approved licensed landfill.

(3) Tires will be accepted from city residents for disposal, subject to the following fees per rim size:

- a. 15 inches or less, per tire with rim removed \$ 8.00
- b. 15 inches or less, per tire mounted on rim \$ 12.00
- c. More than 15 inch & less than 20 inches, per tire rim removed \$ 8.00
- d. More than 15 inch & less than 20 inches, per tire on rim \$ 12.00
- e. 20 inches or more, per tire with rim removed \$ 24.00
- f. 20 inches or more, per tire mounted on rim \$ 38.00

(4) White goods (refrigerators, freezers, air conditioners, with NO refrigerant washers, dryers, etc.), sofas/large chairs, furniture, and large electronic items Each \$ 20.00

Refrigerators, freezers, air conditioners with refrigerant Each \$ 38.00

XI. Trash Bin Service Fees See Attachment A

XII. Roll Off Trash Container Services See Attachment B

Passed and approved this the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

CITY OF LOCKHART

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

ATTEST:

APPROVED AS TO FORM:

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

\_\_\_\_\_  
Peter Gruning  
City Attorney



**ATTACHMENT B**  
**CTR ROLL-OFF RATES EFFECTIVE OCT 2018**

| <u>Service/Size</u>             | <u>Price</u> | <u>Description</u>              |
|---------------------------------|--------------|---------------------------------|
| Delivery Fee                    | \$ -         | Included in roll-off price      |
| Dailey Rental Fee for All Sizes | \$ 3.75      | Per day if hauled twice monthly |
| 20 CY                           | \$ 513.17    | per haul                        |
| 30 CY                           | \$ 577.31    | per haul                        |
| 40 CY                           | \$ 641.45    | per haul                        |

Above rates subject to be multiplied by 1.08 to result in rates charged by the Contractor sufficient to fund City of Lockhart administrative and pay franchise fees. A fuel charge as publish on the FuelGauge.com website or comparable source as approved by the City Manager or designee shall also be applicable to the above rates.  
 5% increase = 2.5% contract plus 2.9% June 2018 CPI not to exceed 5%



Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|   |                          |                     |   |   |
|---|--------------------------|---------------------|---|---|
| <b>CITY SECRETARY'S USE ONLY</b><br><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 |
| <b>Council Meeting Dates:</b> September 25, 2018  |                          |                     |   |   |
| Department: City Manager  |                          |                     | Initials  | Date                                    |
| Department Head: Vance Rodgers  |                          | Asst. City Manager  |   |   |
| Dept. Signature: <i>Vance Rodgers</i>   |                          | City Manager        |   | <i>VR</i> 9-17-2018                     |
| Agenda Item Coordinator/Contact (include phone #): Vance Rodgers  |                          |                     |   |   |
| <b>ACTION REQUESTED:</b> <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER  |                          |                     |   |   |
| <b>CAPTION</b>  |                          |                     |   |   |
| Discussion and/or action to consider approval of Ordinance 2018-22 amending the Lockhart Code of Ordinances, Chapter 58, Utilities, Section 58-141, entitled "Definitions" and Section 59-142, Entitled "Water Rates" adjusting water rates to cover increased costs of new water supply land leases and for new water supply debt payments   |                          |                     |   |   |
| <b>FINANCIAL SUMMARY</b>  |                          |                     |   |   |
| <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<br>(CIP ONLY) | CURRENT<br>YEAR     | FUTURE<br>YEARS                                     | TOTALS                                  |
| Budget  |                          |                     |   | \$0.00                                  |
| Budget Amendment Amount   |                          |                     |   | \$0.00                                  |
| Encumbered/Expended Amount  |                          |                     |   | \$0.00                                  |
| This Item   |                          |                     |   | \$0.00                                  |
| <b>BALANCE</b>  | \$0.00                   | \$0.00              | \$0.00  | \$0.00                                  |
| <b>FUND(S):</b>   |                          |                     |   |   |
| <b>SUMMARY OF ITEM</b>  |                          |                     |   |   |
| This ordinance puts in place rates to produce revenues that are reflected in the FY 18-19 Budget to cover costs associated with new water supply land leases and for new water supply debt payments. Information has been provided to Council and the public throughout the recent budget process. Attached are documents justifying the need to raise rates and showing typical utility customer increases on their total bill. A typical small residential customer will see a 1½% increase in their total bill while a typical small business customer will see a 1% increase in their total bill. |                          |                     |   |   |
| <b>STAFF RECOMMENDATION</b>   |                          |                     |   |   |
| City Manager respectfully requests approval of the ordinance as presented   |                          |                     |   |   |
| List of Supporting Documents:<br>Ordinance 2018-22, New water information   |                          |                     | Other Departments, Boards, Commissions or Agencies: |   |

ORDINANCE 2018-22

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AMENDING THE LOCKHART CODE OF ORDINANCES, CHAPTER 58, UTILITIES, SECTION 58-141, ENTITLED "DEFINITIONS" AND SECTION 58-142, ENTITLED "WATER RATES", PROVIDING FOR CHANGES IN WATER RATES; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Lockhart City Council has determined based on staff recommendation that water ordinance definitions need to be amended and city water rates need to be increased to cover costs for new water supply land leases and for new water supply debt payments for the City of Lockhart; and

**WHEREAS**, the Lockhart City Council has determined that new water supplies are necessary for the future of the community and the costs of the new water supplies must be covered in water rates as allowed by state law and approved by the City Council in open session; and

**WHEREAS**, the Lockhart City Council finds that this ordinance serves a public purpose by providing for the supply of potable water for future city growth and use, and that it is necessary for the health, safety and welfare of the community.

**NOW, THEREFORE**, be it ordained by the City Council of the City of Lockhart, Texas, that Chapter 58, Utilities, Section 58-141 and Section 58-142 of the Code of Ordinances, City of Lockhart, Texas, are hereby amended to read as follows:

**I.**

**Sec. 58-141. Definitions.**

For the purpose of this division, certain terms are hereafter defined:

*All other non-residential customers* shall mean to consist of all of the customers, whether small business or commercial/industrial, which are not classified as residential customers.

*Residential customers* shall mean to consist of single-family residential customers and multifamily residential customers for all domestic residential water use. This class shall include duplexes up to and including apartment residential units. Residential rates shall apply. Commercial base rates shall apply for multifamily unit offices in this class of customer. Where there is one or more common occupant water meter and occupants do not pay the city directly for electric service, the owner(s) must pay all applicable water charges for each occupant.

*Fixed base charge* shall mean that monthly dollar amount that is charged for water utility service, even if there is no consumption, for all customer classes.

*Water Development Debt Service Fee* shall mean that monthly dollar amount (Residential- \$.50 and All other non-residential customers- \$1.00) that is charged in addition to the *Fixed Base Charge* for debt service development costs of new water sources:

*Water Development Lease Rate* shall mean that rate (Residential- \$0.60 and All other non-residential customers- \$0.60) per 1,000 gallons used for land lease development costs for new water sources in addition to operations and maintenance costs.

(Code 1982, § 26-34; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 99-36, § I, 10-19-99)

**Cross reference**— Definitions generally

**Sec. 58-142. - Water rates.**

(a) The schedule of monthly rates or charges for water services furnished by the city for all residential customers shall be as follows:

(1) A *fixed base charge* of \$22.10 and a *Water Development Debt Service Fee* of \$0.50 (\$22.60 total) are charged per residential living unit customer per month. Where the residential living unit customer pays the fixed base charge but does not pay for consumption due to receiving water through a master meter, the fixed base charge will be \$16.10 per month.

(2) A charge per 1,000 gallons including the *Water Development Lease Service Rate* of:

\$4.50 between 2,001—6000 gal.

\$4.75 between 6,001—8,000 gal.

\$5.00 between 8,001—10,000 gal.

\$5.75 greater than 10,000 gal.

(b) The schedule of monthly rates or charges for water services furnished by the city for all other nonresidential customers will be as follows:

(1) A *fixed base charge* of \$32.83 and a *Water Development Debt Service Fee* of \$1.00 (\$33.83 total) are charged per nonresidential unit customer per month. Where the nonresidential unit customer pays the fixed base charge but does not pay for consumption due to receiving water through a master meter, the fixed base charge will be \$25.83 per month.

(2) A charge per 1,000 gallons including the *Water Development Lease Rate* of:

\$4.50 between 2,001—6000 gal.

\$5.00 between 6,001—8,000 gal.

\$5.15 between 8,001—10,000 gal.

\$5.75 greater than 10,000 gal.

(c) Surcharge for out-of-city customers. All out-of-city customers, who are defined to be any customer who lives outside the city limits or corporate municipal boundaries as those now exist or are hereafter amended, in addition to all of the other rates set forth in this division, shall be charged a fixed monthly surcharge of \$5.00 per customer.

(d) Water plant—Sales of water.

(1) *Conditions of sales.* Treated water may be sold at the Lockhart Water Treatment Plant to the general public for domestic drinking water for human or animal consumption only. A minimum of 24 hours' notice to the Lockhart Water Treatment Plant must be provided to arrange pickup. Pickup of such water shall comply with all Texas Commission on Environmental Quality regulations. The sales of water at the water plant for construction projects of any type or for the filling of swimming pools or any other recreational use are expressly prohibited.

(2) *Rates of water sales at water treatment plant.* Rates shall be as follows:

2,000 gallons or less ..... \$25.00 minimum

For each additional 1,000 gallons ..... 8.00 each

*[all other sections and subsections remain unchanged]*

(Code 1982, § 26-35; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 98-23, § I, 9-15-98; Ord. No. 99-28, § I, 9-9-99; Ord. No. 99-35, § I, 9-21-99; Ord. No. 01-05, § I, 2-20-01; Ord. No. 01-13, § I, 5-15-01; Ord. No. 02-36, § I, 10-1-02; Ord. No. 04-24, § I, 9-21-04; Ord. No. 05-20, § II, 9-20-05; Ord. No. 05-29, § I, 12-20-05; Ord. No. 07-43, § I, 9-18-07; Ord. No. 2010-30, § I, 9-21-10; Ord. No. 2012-01, § 1, 1-3-12; Ord. No. 2013-10, § I, 5-21-13)

**II. Repealer:** All other ordinances, section, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

**III. Publication:** The City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

**IV.** It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

V. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity or any other portion, provision or regulation.

VI. Effective Date: This ordinance shall become effective with the first utility billing cycle in October, 2018.

**PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018.**

CITY OF LOCKHART

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

APPROVED AS TO FORM:

ATTEST:

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

\_\_\_\_\_  
Peter Gruning, City Attorney



**CURRENT ORDINANCE AUG 2018**

• **DIVISION 4. - WATER RATES COMPUTATION**

• **Sec. 58-141. - Definitions.**

For the purpose of this division, certain terms are hereafter defined:

*All other customers* shall mean to consist of all of the customers, whether small business or commercial/industrial, which are not classified as residential customers.

*Residential customers* shall mean to consist of single-family residential customers and multifamily residential customers for all domestic residential water use. This class shall include duplexes up to and including apartment residential units. Residential rates shall apply. Commercial base rates shall apply for multifamily unit offices in this class of customer. Where there is one or more common occupant water meter and occupants do not pay the city directly for electric service, the owner(s) must pay all applicable water charges for each occupant.

(Code 1982, § 26-34; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 99-36, § I, 10-19-99)

**Cross reference**— Definitions generally, [§ 1-2](#).

• **Sec. 58-142. - Water rates.**

(a)

The following schedule of monthly rates or charges for water services furnished by the city for all residential customers shall be such as follows:

(1)

A fixed base charge of \$22.10 is charged per residential living unit customer per month. Where the residential living unit customer pays the fixed base charge but does not pay for consumption due to receiving water through a master meter, the fixed base charge will be \$15.60 per month.

(2)

A charge per 1,000 gallons of:

\$3.90 between 2,001—6000

\$4.15 between 6,001—8,000

\$4.40 between 8,001—10,000

\$5.15 greater than 10,000

(b)

The following schedule of monthly rates or charges for water services furnished by the city for all other nonresidential customers shall be such as follows:

(1)

A fixed base charge of \$32.83 is charged per nonresidential unit customer per month. Where the nonresidential unit customer pays the fixed base charge but does not pay for consumption due to receiving water through a master meter, the fixed base charge will be \$24.83 per month.

(2)

A charge per 1,000 gallons of:

\$3.90 between 2,001—6000

\$4.40 between 6,001—8,000

\$4.65 between 8,001—10,000

\$5.15 greater than 10,000

(c)

Surcharge for out-of-city customers. All out-of-city customers, who are defined to be any customer who lives outside the city limits or corporate municipal boundaries as those now exist or are hereafter amended, in addition to all of the other rates set forth in this division, shall be charged a fixed monthly surcharge of \$2.00 per customer.

(d)

Water plant—Sales of water.

(l)

*Conditions of sales.* Treated water may be sold at the Lockhart Water Treatment Plant to the general public for domestic drinking water for human or animal consumption. A minimum of 24 hours' notice to the Lockhart Water Treatment Plant must be provided to arrange pickup. Pickup of such water shall comply with all Texas Commission on Environmental Quality regulations. The sales of water for construction projects of any type or for the filling of swimming pools or any other recreational use are expressly prohibited.

(2)

*Rates of water sales at water treatment plant.* Rates shall be as follows:

2,000 gallons or less ..... \$25.00 minimum

For each additional 1,000 gallons ..... 8.00 each

(Code 1982, § 26-35; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 98-23, § I, 9-15-98; Ord. No. 99-28, § I, 9-9-99; Ord. No. 99-35, § I, 9-21-99; Ord. No. 01-05, § I, 2-20-01; Ord. No. 01-13, § I, 5-15-01; Ord. No. 02-36, § I, 10-1-02; Ord. No. 04-24, § I, 9-21-04 Ord. No. 05-20, § II, 9-20-05; Ord. No. 05-29, § I, 12-20-05; Ord. No. 07-43, § I, 9-18-07; Ord. No. 2010-30, § I, 9-21-10; Ord. No. 2012-01, § 1, 1-3-12; Ord. No. 2013-10, § I, 5-21-13)

- **DIVISION 4. - WATER RATES COMPUTATION**
- **Sec. 58-141. - Definitions.**

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*Fixed base charge* shall mean that monthly dollar amount that is charged for water utility service even if there is no consumption for all customer classes.

*Water Development Fee* shall mean that monthly dollar amount that is charged for development costs of new water sources for all customer classes.

(Code 1982, § 26-34; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 99-36, § I, 10-19-99)

**Cross reference**— Definitions generally

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(2)

A charge per 1,000 gallons of:

|        |                      |
|--------|----------------------|
| \$4.50 | between 2,001—6000   |
| \$4.75 | between 6,001—8,000  |
| \$5.00 | between 8,001—10,000 |
| \$5.75 | greater than 10,000  |

(b)

The following schedule of monthly rates or charges for water services furnished by the city for all other nonresidential customers shall be such as follows:

(1)

A fixed base charge of \$32.83 and a Water Development Fee of \$1.00 (\$33.83 total) are charged per nonresidential unit customer per month. Where the nonresidential unit customer pays the fixed base charge but does not pay for consumption due to receiving water through a master meter, the fixed base charge will be \$25.83 per month.

(2)

A charge per 1,000 gallons of:

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- \$5.15 between 8,001—10,000
- \$5.75 greater than 10,000

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minimum
- For each additional 1,000 gallons ..... 8.00  
each

(Code 1982, § 26-35; Ord. No. 93-18, pt. 4, 9-14-93; Ord. No. 98-23, § I, 9-15-98; Ord. No. 99-28, § I, 9-9-99; Ord. No. 99-35, § I, 9-21-99; Ord. No. 01-05, § I, 2-20-01; Ord. No. 01-13, § I, 5-15-01; Ord. No. 02-36, § I, 10-1-02; Ord. No. 04-24, § I, 9-21-04 Ord. No. 05-20, § II, 9-20-05; Ord. No. 05-29, § I, 12-20-05; Ord. No. 07-43, § I, 9-18-07; Ord. No. 2010-30, § I, 9-21-10; Ord. No. 2012-01, § 1, 1-3-12; Ord. No. 2013-10, § I, 5-21-13)

*(all other sections remain as previously adopted)*



## COMPONENTS OF NEW WATER COSTS

AUG 2018

## COMPONENTS OF NEW WATER COSTS

2018

| *LAND LEASE   | DEBT AND INTEREST   | OPER & MAINT   |
|---|---|--|
| \$70 per acre-foot per year<br>begins Jan 2019        | Varies Based on<br>Payments begin<br>8-15-2023  | \$600 per acre-foot per year<br>begins at delivery<br>2023 |
| Funding: Water Consumption Rates **\$0.60 /1,000 gals | Funding: Water Base Rate ***Development Fee \$0.50 Residential-\$1.00 Non-residential | Funding: Water Consumption Rates Est. \$1.80 / 1,000 gals  |
| Effective Rate Increase Date<br>10-1-2018             | Effective Rate Increase Date<br>10-1-2018   | Effective Rate Increase Date<br>10-1-2022                  |

Note: An acre-foot of water is 325,851 gals  
Potential is up to 3,000 acre-feet per year  
Will keep 7 wells in good operating condition also.

\* Subject to Annual CPI adjustment

\*\* Could increase to \$0.90 per 1,000 in Oct, 2019, but should decrease when water delivery begins

\*\*\* Increases as more money is drawn down for construction. GBRA will provide sufficient lead time; must build up fund to meet debt payment requirements.

U:\Vance Files\1A Public Works\GBRA LONG TERM WATER AUG 2018\FWD\CHART COMPONENT COSTS NEW WATER USE THIS ONE 8-24-2018\CHART COMPONENT COSTS NEW WATER USE THIS ONE 8-24-2018



NEW WATER DEBT  
BASED ON FIRST BOND ISSUANCE  
8-21-2018

OLD

Net Debt Service  
 Gradalope Blanco River Authority  
 City of Lockhart Portion  
 GBRA-AWRA Project No Water Swap 80% Board Participation and 20% Low Interest  
 Assumes 2017 SWIRFT Rates Plus 8.00%  
 Capitalized Interest Through 8/15/2022 For Low Interest Loans

20%

| Period Ending | Principal     | Interest      | Total Debt Service | Interest Deferral | Coverage     | Debt Service Reserve Fund | Capitalized Interest Fund | Net Debt Service |
|---------------|---------------|---------------|--------------------|-------------------|--------------|---------------------------|---------------------------|------------------|
| 8/15/2021     |               | \$ 909,302    | \$ 909,302         | \$ (776,771)      |              |                           | \$ 132,531                |                  |
| 8/15/2022     |               | 1,152,636     | 1,152,636          | (984,639)         |              |                           | 167,997                   |                  |
| 8/15/2023     | \$ 175,000    | 1,152,636     | 1,327,636          | (984,639)         | \$ 132,764   |                           |                           | \$ 475,761       |
| 8/15/2024     | 176,000       | 1,151,148     | 1,327,148          | (787,711)         | 132,715      |                           |                           | 672,494          |
| 8/15/2025     | 178,000       | 1,149,659     | 1,327,659          | (787,711)         | 132,746      |                           |                           | 672,494          |
| 8/15/2026     | 180,000       | 1,147,501     | 1,327,501          | (688,247)         | 132,750      |                           |                           | 771,004          |
| 8/15/2027     | 182,000       | 1,145,287     | 1,327,287          | (590,783)         | 132,729      |                           |                           | 869,232          |
| 8/15/2028     | 184,000       | 1,142,848     | 1,327,848          | (443,087)         | 132,685      |                           |                           | 1,016,445        |
| 8/15/2029     | 187,000       | 1,140,125     | 1,327,125          | (285,832)         | 132,712      |                           |                           | 1,164,446        |
| 8/15/2030     | 190,000       | 1,137,170     | 1,327,170          | (147,696)         | 132,717      |                           |                           | 1,312,191        |
| 8/15/2031     | 193,000       | 1,133,978     | 1,326,978          |                   | 132,498      |                           |                           | 1,459,676        |
| 8/15/2032     | 197,000       | 1,130,408     | 1,327,408          |                   | 132,741      |                           |                           | 1,606,148        |
| 8/15/2033     | 201,000       | 1,126,510     | 1,327,510          |                   | 132,735      |                           |                           | 1,752,684        |
| 8/15/2034     | 205,000       | 1,122,327     | 1,326,327          | 928,811           | 132,683      |                           |                           | 1,900,311        |
| 8/15/2035     | 210,000       | 1,118,846     | 1,326,846          | 928,811           | 132,645      |                           |                           | 2,049,041        |
| 8/15/2036     | 216,000       | 1,115,533     | 1,327,533          | 928,811           | 132,753      |                           |                           | 2,198,876        |
| 8/15/2037     | 221,000       | 1,112,405     | 1,326,805          | 928,811           | 132,689      |                           |                           | 2,349,816        |
| 8/15/2038     | 227,000       | 1,099,872     | 1,326,872          | 928,811           | 132,687      |                           |                           | 2,501,861        |
| 8/15/2039     | 234,000       | 1,093,775     | 1,327,775          | 928,811           | 132,778      |                           |                           | 2,655,039        |
| 8/15/2040     | 240,000       | 1,087,293     | 1,327,293          | 928,811           | 132,729      |                           |                           | 2,809,370        |
| 8/15/2041     | 1,571,000     | 1,080,549     | 2,651,549          |                   | 265,155      |                           |                           | 2,914,704        |
| 8/15/2042     | 1,625,000     | 1,076,218     | 2,651,218          |                   | 265,122      |                           |                           | 3,020,826        |
| 8/15/2043     | 1,683,000     | 1,071,485     | 2,650,485          |                   | 265,049      |                           |                           | 3,128,645        |
| 8/15/2044     | 1,744,000     | 1,066,304     | 2,650,304          |                   | 265,030      |                           |                           | 3,238,175        |
| 8/15/2045     | 1,808,000     | 1,060,805     | 2,650,805          |                   | 265,089      |                           |                           | 3,349,414        |
| 8/15/2046     | 1,874,000     | 1,054,992     | 2,650,992          |                   | 265,099      |                           |                           | 3,462,363        |
| 8/15/2047     | 1,943,000     | 1,048,857     | 2,649,857          |                   | 264,986      |                           |                           | 3,577,011        |
| 8/15/2048     | 2,015,000     | 1,042,321     | 2,651,321          |                   | 265,112      |                           |                           | 3,693,363        |
| 8/15/2049     | 2,092,000     | 1,035,377     | 2,650,377          |                   | 265,078      |                           |                           | 3,811,441        |
| 8/15/2050     | 2,170,000     | 1,028,023     | 2,650,023          |                   | 265,082      |                           |                           | 3,931,266        |
| 8/15/2051     | 2,251,000     | 1,020,260     | 2,650,260          |                   | 265,095      | \$ 332,478                |                           | 4,052,841        |
| 8/15/2052     | 1,991,000     | 1,012,185     | 2,650,185          |                   | 265,058      |                           |                           | 4,176,179        |
| 8/15/2053     | 2,066,000     | 1,003,824     | 2,650,824          |                   | 265,052      |                           |                           | 4,301,231        |
| 8/15/2054     | 2,143,000     | 995,166       | 2,650,166          |                   | 265,064      |                           |                           | 4,427,995        |
| 8/15/2055     | 2,224,000     | 986,305       | 2,650,305          |                   | 265,084      | 1,551,264                 |                           | 4,556,489        |
|               | \$ 32,798,000 | \$ 31,545,540 | \$ 64,343,540      | \$ 0              | \$ 6,228,161 | \$ 1,887,772              | \$ 300,528                | \$ 68,383,410    |

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Guadalupe Blanco River Authority  
 Projected Debt Service for the City of Lockhart SWIRFT

| Period Ending | Projected Series 2018<br>SWIRFT August 1, 2018 Rates |            |
|---------------|--|------------|
|               | Net Debt Service <sup>(1)</sup>                      |            |
| 8/15/2019     |  |            |
| 8/15/2020     |  |            |
| 8/15/2021     | \$   | 32,370     |
| 8/15/2022     |  | 64,740     |
| 8/15/2023     |  | 175,525    |
| 8/15/2024     |  | 416,201    |
| 8/15/2025     |  | 452,915    |
| 8/15/2026     |  | 498,454    |
| 8/15/2027     |  | 549,341    |
| 8/15/2028     |  | 599,981    |
| 8/15/2029     |  | 626,078    |
| 8/15/2030     |  | 621,937    |
| 8/15/2031     |  | 762,917    |
| 8/15/2032     |  | 903,533    |
| 8/15/2033     |  | 903,893    |
| 8/15/2034     |  | 903,893    |
| 8/15/2035     |  | 903,585    |
| 8/15/2036     |  | 902,932    |
| 8/15/2037     |  | 901,991    |
| 8/15/2038     |  | 766,332    |
| 8/15/2039     |  | 1,015,197  |
| 8/15/2040     |  | 1,008,731  |
| 8/15/2041     |  | 1,006,979  |
| 8/15/2042     |  | 1,009,661  |
| 8/15/2043     |  | 1,011,094  |
| 8/15/2044     |  | 1,011,261  |
| 8/15/2045     |  | 1,010,096  |
| 8/15/2046     |  | 1,013,133  |
| 8/15/2047     |  | 1,009,195  |
| 8/15/2048     |  | 1,009,457  |
| 8/15/2049     |  | 711,231    |
| 8/15/2050     |  | 714,303    |
| 8/15/2051     |  | 710,651    |
| 8/15/2052     |  | 711,503    |
| 8/15/2053     |  | 711,121    |
| 8/15/2054     |  |            |
| 8/15/2055     |  |            |
| 8/15/2056     | \$   | 24,650,229 |

*New  
 First Issuance*

(1) Net Debt Service includes the 1.10 times debt service coverage.

## Vance Rodgers

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**From:** Darrell Nichols <[dnichols@gbra.org](mailto:dnichols@gbra.org)>  
**Sent:** Friday, August 03, 2018 2:59 PM  
**To:** Vance Rodgers  
**Cc:** Anne Burger Entrekin (HTS); Tom Spurgeon; Randy Staats; Alvin Schuerg  
**Subject:** Carrizo Project Update 8-3-2018

Vance,

The Texas Water Development Board (TWDB) approved GBRA's funding request for the Carrizo Project that includes closings over multiple years and payment deferrals from capitalized interest, Deferred Financing, and Board Participation. In preparing for its \$2 billion bond sale, the TWDB yesterday provided its anticipated lending scale to each of the SWIFT participants including GBRA. We are scheduled to close on the first installment of funds from the TWDB on November 15<sup>th</sup> and are reviewing the draft schedules from the TWDB. We will provide you on Tuesday a proposed schedule for the City's share of the debt service on that first installment. As you will see on Tuesday, there will be no debt service costs in FY 2019 based on the structure requested by the City. We will also work with the City in the coming months to ensure that continuing disclosure requirements are met prior to closing.

Finally, I wanted to confirm that GBRA will commence billing the City in January of 2019 for one-twelfth of the Water Charge which represents GBRA's lease payments to the landowners as well as an amount for anticipated groundwater district fees. The annual Water Charge will be \$70 per acre-foot which will be \$210,000 for the City. This is less than the \$200 per acre-foot originally discussed as a budget place holder.

If you have any questions, please do not hesitate to contact me at 830-379-5822 or by cell phone at 512-917-6065. I look forward to continuing to work with the City, you, and the new city manager to develop this project.

**Darrell Nichols**  
Senior Deputy General Manager  
Guadalupe-Blanco River Authority  
[933 East Court Street](#)  
[Seguin, Texas 78155](#)  
[830-379-5822](tel:830-379-5822) – office  
[512-917-6065](tel:512-917-6065) – cell  
[dnichols@gbra.org](mailto:dnichols@gbra.org)

# Current Water Debt

| Water Fund                          |        | 2018           | 2019           | 2020           | 2021           | 2022           | 2023           | 2024           | 2025           | 2026           | 2027           | 2028           | 2029           | 2030           | 2031           | 2032           | 2033           | 2034           | 2035           | DEBT              |
|-------------------------------------|--------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------|
| 2006A Tax & Rev CO's                | 7.00%  | 20,164         | 20,157         | 20,122         | 20,408 ✓       |                |                |                |                |                |                |                |                |                |                |                |                |                |                | 80,850            |
| 2009 GO Refunding                   | 86.69% | 108,239        |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                |                | 106,239           |
| 2015 Tax & Revenue                  | 49.60% | 486,818        | 486,322        | 486,917        | 487,413        | 644,248        | 644,496        | 642,909        | 643,207        | 643,331        | 644,223        | 644,670        | 664,510        | 663,468        | 663,778        | 662,842        | 663,622        | 663,406        | 664,800 ✓      | 11,101,180        |
| 2016 GO Refunding                   | 21.81% | 49,849         | 101,103        | 106,247        | 102,919        | 151,435        | 194,357        | 192,833        | 194,371        | 196,189        | 195,418        | 197,886 ✓      |                |                |                |                |                |                |                | 1,721,377         |
| 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         | 1,322,816         |
| <b>Total Water Fund P. &amp; I.</b> |        | <b>745,745</b> | <b>690,258</b> | <b>694,962</b> | <b>693,416</b> | <b>918,359</b> | <b>921,529</b> | <b>916,418</b> | <b>920,254</b> | <b>922,168</b> | <b>922,317</b> | <b>925,032</b> | <b>747,186</b> | <b>746,144</b> | <b>748,454</b> | <b>745,518</b> | <b>745,468</b> | <b>663,406</b> | <b>664,800</b> | <b>14,332,462</b> |

8/2018

DOES NOT INCLUDE LEASE PYMTS

LONG RANGE WATER SUPPLY PROPOSED FUNDING PLAN FOR DEBT (PRESENTED TO COUNCIL 8-21-2018)

| Long Term Water Pymts Due | Notes  | Est Debt Pymt AUG 2018 SCHEDULE: FIRST ISSUANCE-MORE ISSUANCES TO COME | Less Debt Retiring | NET EXPENSE | OTHER ANNUAL INCR WITH WATER DEVELO FEE | RES ANNUAL INCR WITH WATER DEVELO FEE | Total By Year | Water Develo Fee Balance Less Net Debt Pymt Due | # OF ACCTS WITH 1.7 TO 2% GROWTH | OTHER ACCTS DEVELO FEE ADD TO BASE | RES ACCTS DEVELO FEE ADD TO BASE | NEW OTHER BASE PLUS DEVELOP FEE | NEW RES BASE PLUS DEVELOP FEE | OTHER % INCR PER YEAR | RES % INCR PER YEAR |
|---------------------------|--|--|--------------------|-------------|---|---------------------------------------|---------------|---|----------------------------------|------------------------------------|----------------------------------|---------------------------------|-------------------------------|-----------------------|---------------------|
| 9/30/2017 ACTUA.          |  |  |                    |             |   |                                       |               |   |                                  |                                    |                                  |                                 |                               |                       |                     |
| 9/1/2018                  |  |  |                    |             |   |                                       |               |   | 4823                             |                                    |                                  | 32.83                           | 22.10                         |                       |                     |
| 10/1/2018                 |  |  |                    |             |   |                                       |               |   |                                  |                                    |                                  |                                 |                               |                       |                     |
| 8/15/2019                 |  |  |                    |             | 7380                                    | 25740                                 | 33120         | 33120   |                                  | 4905                               | 1.0                              | 0.5                             | 33.83                         | 22.60                 | 3.0%                |
| 8/15/2020                 |  |  |                    |             | 11070                                   | 52481                                 | 63551         | 96670   |                                  | 4988                               | 1.50                             | 1                               | 34.33                         | 23.10                 | 1.5%                |
| 8/15/2021                 |  |  |                    |             | 14760                                   | 80247                                 | 95007         | 191678  |                                  | 5073                               | 2                                | 1.5                             | 34.83                         | 23.60                 | 1.5%                |
| 8/15/2022                 | LESS 2006A CO \$20408 Retired  | 32,370   |                    | 32,370      | 22140                                   | 109066                                | 131206        | 290514  |                                  | 5159                               | 3                                | 2                               | 35.33                         | 24.10                 | 2.9%                |
| 8/15/2023                 | Delivery 1,500 acft begins   | 64,740   | (20,408)           | 44,332      | 29520                                   | 166757                                | 156277        | 442459  |                                  | 5247                               | 4                                | 3                               | 36.83                         | 25.10                 | 2.8%                |
| 8/15/2024                 | Reduce Luloc Take  | 175,525  | (20,408)           | 155,117     | 36900                                   | 226624                                | 263524        | 550866  |                                  | 5336                               | 5                                | 4                               | 37.83                         | 26.10                 | 2.7%                |
| 8/15/2025                 |  | 416,201  | (20,408)           | 395,793     | 44280                                   | 288723                                | 333003        | 488076  |                                  | 5427                               | 6                                | 5                               | 38.83                         | 27.10                 | 2.6%                |
| 8/15/2026                 |  | 452,915  | (20,408)           | 432,507     | 44280                                   | 294259                                | 338539        | 394107  |                                  | 5519                               | 7                                | 6                               | 39.83                         | 28.10                 | 2.6%                |
| 8/15/2027                 |  | 498,454  | (20,408)           | 478,046     | 51660                                   | 359866                                | 411526        | 327587  |                                  | 5613                               | 7                                | 6                               | 39.83                         | 28.10                 | 2.6%                |
| 8/15/2028                 | 2016 GO REF LAST PYMT \$197,686  | 549,341  | (20,408)           | 528,933     | 51660                                   | 366737                                | 418397        | 217051  |                                  | 5709                               | 7                                | 6                               | 39.83                         | 28.10                 | 2.6%                |
| 8/15/2029                 | Allow 1/2 savings for Future Bonds and increased debt  | 599,981  | (119,251)          | 480,730     | 51660                                   | 373724                                | 425384        | 161705  |                                  | 5805                               | 7                                | 6                               | 39.83                         | 28.10                 | 2.6%                |
| 8/15/2030                 | \$450,000 Luloc Pymt Last see note below   | 626,078  | (119,251)          | 506,827     | 59040                                   | 444302                                | 503342        | 158219  |                                  | 5904                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2031                 |  | 621,937  | (119,251)          | 502,686     | 59040                                   | 452733                                | 511773        | 167306  |                                  | 6005                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2032                 | LULO Water Stops/Water Wells Still in Service-425 acft- Delivery 2,000 Acft- \$450,000 savings Allow half of savings for Future Bonds and increased debt | 762,917  | (344,251)          | 418,666     | 59040                                   | 461308                                | 520348        | 268988  |                                  | 6107                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2033                 | SIB LAST PAYMT \$82,676  | 903,533  | (344,251)          | 559,282     | 59040                                   | 470028                                | 529068        | 238774  |                                  | 6211                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2034                 | Delivery 2,500 acft begins   | 903,893  | (344,251)          | 559,642     | 59040                                   | 478897                                | 537937        | 217068  |                                  | 6316                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2035                 | 2015 CO LAST PYMT \$664,800 Allow 3/4 of savings for Future Bonds and increased debt   | 903,893  | (426,927)          | 476,966     | 59040                                   | 485508                                | 548548        | 288650  |                                  | 6442                               | 8                                | 7                               | 40.83                         | 29.10                 | 2.5%                |
| 8/15/2036                 |  | 903,585  | (510,019)          | 393,566     | 36900                                   | 285904                                | 322804        | 217888  |                                  | 6571                               | 5                                | 4                               | 37.83                         | 26.10                 | -7.3%               |
| 8/15/2037                 |  | 902,932  | (676,219)          | 226,713     | 36900                                   | 292212                                | 329112        | 320287  |                                  | 6703                               | 5                                | 4                               | 37.83                         | 26.10                 | 0.0%                |
| 8/15/2038                 |  | 901,991  | (676,219)          | 225,772     | 36900                                   | 298647                                | 335547        | 430061  |                                  | 6837                               | 5                                | 4                               | 37.83                         | 26.10                 | 0.0%                |
| 8/15/2039                 |  | 766,332  | (676,219)          | 90,113      | 36900                                   | 305210                                | 342110        | 682058  |                                  | 6974                               | 5                                | 4                               | 37.83                         | 26.10                 | 0.0%                |
| 8/15/2040                 |  | 1,015,197  | (676,219)          | 338,978     | 29520                                   | 133928                                | 263448        | 606529  |                                  | 7113                               | 4                                | 3                               | 36.83                         | 25.10                 | -2.5%               |
| 8/15/2041                 |  | 1,008,731  | (676,219)          | 332,512     | 29520                                   | 139050                                | 268970        | 542587  |                                  | 7255                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2042                 |  | 1,006,975  | (676,219)          | 330,760     | 29520                                   | 144274                                | 273794        | 431900  |                                  | 7400                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2043                 |  | 1,009,661  | (676,219)          | 333,442     | 29520                                   | 149602                                | 279122        | 319300  |                                  | 7548                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2044                 |  | 1,011,094  | (676,219)          | 334,875     | 29520                                   | 155037                                | 284557        | 380982  |                                  | 7699                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2045                 |  | 1,011,261  | (676,219)          | 335,042     | 29520                                   | 160580                                | 290100        | 336640  |                                  | 7853                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2046                 |  | 1,010,096  | (676,219)          | 333,877     | 29520                                   | 166235                                | 295755        | 297918  |                                  | 8010                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2047                 | Delivery 3,000 acft begins   | 1,013,133  | (676,219)          | 336,914     | 29520                                   | 172002                                | 301522        | 262526  |                                  | 8171                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2048                 |  | 1,009,195  | (676,219)          | 332,976     | 29520                                   | 177885                                | 307405        | 236955  |                                  | 8334                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2049                 |  | 1,009,457  | (676,219)          | 333,238     | 29520                                   | 183885                                | 313405        | 217122  |                                  | 8501                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2050                 |  | 711,231  | (676,219)          | 35,012      | 0                                       | 0                                     | 0             | 182110  |                                  | 8671                               | 4                                | 3                               | 36.83                         | 25.10                 | 0.0%                |
| 8/15/2051                 |  | 714,303  | (676,219)          | 38,084      | 0                                       | 0                                     | 0             | 144026  |                                  | 8844                               | 4                                | 3                               | 36.83                         | 22.10                 | -10.9%              |
| 8/15/2052                 |  | 710,651  | (676,219)          | 34,432      | 0                                       | 0                                     | 0             | 109994  |                                  | 9021                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
| 8/15/2053                 |  | 711,503  | (676,219)          | 35,284      | 0                                       | 0                                     | 0             | 74310   |                                  | 9201                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
| 8/15/2054                 |  | 711,121  | (676,219)          | 34,902      | 0                                       | 0                                     | 0             | 39408   |                                  | 9385                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
| 8/15/2055                 |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 9573                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 9765                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 9957                               | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 10149                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 10341                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 10533                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 10725                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 10917                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 11109                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 11301                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 11493                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 11685                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 11877                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 12069                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 12261                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 12453                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 12645                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 12837                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13029                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13221                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13413                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13605                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13797                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 13989                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 14181                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 14373                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 14565                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 14757                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 14949                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 15141                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 15333                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 15525                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 15717                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 15909                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 16101                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 16293                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 16485                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 16677                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 16869                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 17061                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 17253                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 17445                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             | 0                                       | 0                                     | 0             | 39408   |                                  | 17637                              | 4                                | 3                               | 36.83                         | 22.10                 | 0.0%                |
|                           |  |  |                    |             |   |                                       |               |   |                                  |                                    |                                  |                                 |                               |                       |                     |



WATER RATES

BILLING INCREASES

LONG RANGE WATER SUPPLY

COST COMPONENTS:

- DEBT
- LEASE ON 3,000 AC/FT
- OPERATIONS AND MAINTENANCE

NOTE: BASED ON INITIAL DEBT

RESIDENTIAL: DIFFERENT SIZE CUSTOMERS

AUG 2018

| CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70/ACFT * 3,000 ACFT PER YEAR) |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
|--|-----------|-----|---------------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-----------|-----------|-----------|-------------|
| RES-SMALL  | 2017-18   | USE | Effect Date   | 2018-19   | 2019-20   | 2020-21   | 2021-22   | 2022-23     | 2023-24   | 2024-25   | 2025-26   | 2026-27   | 2027-28   | 2028-29   | 2029-30   | 2030-31     | 2031-32   | 2032-33   | 2033-34   | 2034-35     |
| ELECTRIC   | \$ 25.36  |     | Increases     |           |           |           |           | 500MG       |           |           |           |           |           |           |           | 550MG       |           |           |           |             |
|  |           |     |               |           |           |           |           | 1,500       |           |           |           |           |           |           |           | 2,000       |           |           |           |             |
|  |           |     |               |           |           |           |           | ACFT: \$0.9 |           |           |           |           |           |           |           | ACFT: \$1.2 |           |           |           | 2,500       |
| PPCD   | \$ 50.38  |     |               |           |           |           |           | M \$1.80    |           |           |           |           |           |           |           | M \$2.18    |           |           |           | ACFT: \$1.5 |
| WATER BASE/DEBT  | \$ 22.10  | 3   | WDF/DEBT      | \$ 0.50   | \$ 1.00   | \$ 1.50   | \$ 2.00   | \$ 3.00     | \$ 4.00   | \$ 5.00   | \$ 5.00   | \$ 6.00   | \$ 6.00   | \$ 6.00   | \$ 7.00   | \$ 7.00     | \$ 7.00   | \$ 7.00   | \$ 7.00   | \$ 7.00     |
|  |           |     |               |           |           |           |           | /1,000      |           |           |           |           |           |           |           | /1,000      |           |           |           | /1,000      |
| <b>WATER LEASE</b>   |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| <b>\$17,500 PYMT PER</b>   |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| <b>MONTH STARTING</b>  |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| <b>1-1-2019</b>  |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| WATER M&O  |           | 3   | LEASE: \$70 X | \$ 1.80   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 1.80     | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80     | \$ 1.80   | \$ 1.80   | \$ 1.80   | \$ 1.80     |
| WATER ABOVE BASE   | \$        | 3   | 3,000ACF      |           |           |           |           | \$ 5.40     | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40     | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40     |
| SEWER  | \$ 24.85  |     | M&O           |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| REFUSE   | \$ 19.39  |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| RECYCLE  |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| DUF  | \$ 2.50   |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| TIF  | \$ 8.00   |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| 1.5% ST  | \$ 1.14   |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| 8.25% ST   | \$ 1.60   |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| 8.25% ST   | \$ 153.32 |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |
| <b>% INC TOTAL BILL- YR TO YR</b>  |           |     |               | \$ 155.62 | \$ 157.02 | \$ 157.52 | \$ 158.02 | \$ 163.52   | \$ 164.52 | \$ 165.52 | \$ 165.52 | \$ 166.52 | \$ 166.52 | \$ 166.52 | \$ 166.52 | \$ 167.52   | \$ 168.66 | \$ 168.66 | \$ 168.66 | \$ 170.31   |
|  |           |     |               | 1.5%      | 0.9%      | 0.3%      | 0.3%      | 3.5%        | 0.6%      | 0.6%      | 0.0%      | 0.6%      | 0.0%      | 0.0%      | 0.0%      | 0.6%        | 0.7%      | 0.0%      | 0.0%      | 1.0%        |
| WDF= WATER DEVELOPMENT FEE   |           |     |               |           |           |           |           |             |           |           |           |           |           |           |           |             |           |           |           |             |

**RESIDENTIAL CUSTOMERS**

CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70/ACFT \* 3,000 ACFT PER YEAR)

| RES-MED ELECTRIC   | 2017-18   | USE | Effect Date                                | 2018-19   | 2019-20   | 2020-21   | 2021-22   | 2022-23                                    | 2023-24   | 2024-25   | 2025-26   | 2026-27   | 2027-28   | 2028-29   | 2029-30   | 2030-31                                    | 2031-32   | 2032-33   | 2033-34                                    | 2034-35   |
|--|-----------|-----|--|-----------|-----------|-----------|-----------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|-----------|-----------|--|-----------|
|  | \$ 33.17  |     | Increases                                  | 10/1/2018 | 10/1/2019 | 10/1/2020 | 10/1/2021 | 500MG                                      | 10/1/2023 | 10/1/2024 | 10/1/2025 | 10/1/2026 | 10/1/2027 | 10/1/2028 | 10/1/2029 | 550MG                                      | 10/1/2031 | 10/1/2032 | 550MG                                      | 10/1/2034 |
|  |           |     |  |           |           |           |           | 1,500<br>ACFT: \$0.9<br>M \$1.80<br>/1,000 |           |           |           |           |           |           |           | 2,000<br>ACFT: \$1.2<br>M \$2.18<br>/1,000 |           |           | 2,500<br>ACFT: \$1.5<br>M \$2.73<br>/1,000 |           |
| PPCD   | \$ 74.06  |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| WATER BASE:DEBT  | \$ 22.10  | \$  | WDF: DEBT                                  | \$ 0.50   | \$ 1.00   | \$ 1.50   | \$ 2.00   | \$ 3.00                                    | \$ 4.00   | \$ 5.00   | \$ 5.00   | \$ 6.00   | \$ 6.00   | \$ 6.00   | \$ 7.00   | \$ 7.00                                    | \$ 7.00   | \$ 7.00   | \$ 7.00                                    | \$ 7.00   |
| WATER LEASE<br>\$17,500 PYMT PER<br>MONTH STARTING<br>1-1-2019 |           |     | LEASE: \$70 X<br>3,000ACF<br>/500MG<br>M&O | \$ 3.00   | \$ 4.50   | \$ 4.50   | \$ 4.50   | \$ 3.00                                    | \$ 3.00   | \$ 3.00   | \$ 3.00   | \$ 3.00   | \$ 3.00   | \$ 3.00   | \$ 3.00   | \$ 3.00                                    | \$ 3.00   | \$ 3.00   | \$ 3.00                                    | \$ 3.00   |
| WATER M&O  | \$ 7.80   |     |  |           |           |           |           | \$ 9.00                                    | \$ 9.00   | \$ 9.00   | \$ 9.00   | \$ 9.00   | \$ 9.00   | \$ 9.00   | \$ 9.00   | \$ 10.90                                   | \$ 10.90  | \$ 10.90  | \$ 13.65                                   | \$ 13.65  |
| WATER ABOVE BASE   | \$ 20.18  |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| SEWER  | \$ 25.04  |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| REFUSE   | \$ 5.40   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| DUF  | \$ 2.50   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| TIF  | \$ 6.00   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| 1.5% ST  | \$ 1.61   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| 8.25% ST   | \$ 2.07   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| 8.25% ST   | \$ 0.45   |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
|  | \$ 200.38 |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |
| % INC TOTAL BILL: YR TO YR                                     |           |     |  | \$ 203.88 | \$ 205.88 | \$ 206.38 | \$ 206.88 | \$ 215.38                                  | \$ 216.38 | \$ 217.38 | \$ 217.38 | \$ 218.38 | \$ 218.38 | \$ 218.38 | \$ 219.38 | \$ 221.28                                  | \$ 221.28 | \$ 221.28 | \$ 224.03                                  | \$ 224.03 |
|  |           |     |  | 1.7%      | 1.0%      | 0.2%      | 0.2%      | 4.1%                                       | 0.5%      | 0.5%      | 0.0%      | 0.5%      | 0.0%      | 0.0%      | 0.5%      | 0.9%                                       | 0.0%      | 0.0%      | 1.2%                                       | 0.0%      |
| WDF= WATER DEVELOPMENT FEE                                     |           |     |  |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |

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| CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70/ACFT *3,000 ACFT PER YEAR) |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
|---|-----------|-----|---------------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|------------|-----------|-----------|-----------|
| RES-LARGE   | 2017-18   | USE | Effect Date   | 2018-19   | 2019-20   | 2020-21   | 2021-22   | 2022-23    | 2023-24   | 2024-25   | 2025-26   | 2026-27   | 2027-28   | 2028-29   | 2029-30   | 2030-31    | 2031-32   | 2032-33   | 2033-34    | 2034-35   |           |           |
| ELECTRIC  | \$ 55.19  |     | Increases     |           |           |           |           | 500MG      |           |           |           |           |           |           |           | 550MG      |           |           | 550MG      |           |           |           |
|   |           |     |               |           |           |           |           | 1,500      |           |           |           |           |           |           |           | 2,000      |           |           | 2,500      |           |           |           |
|   |           |     |               |           |           |           |           | ACFT-\$0.9 |           |           |           |           |           |           |           | ACFT-\$1.2 |           |           | ACFT-\$1.5 |           |           |           |
|   |           |     |               |           |           |           |           | M \$1.80   |           |           |           |           |           |           |           | M \$2.18   |           |           | M \$2.73   |           |           |           |
|   |           |     |               |           |           |           |           | /1,000     |           |           |           |           |           |           |           | /1,000     |           |           | /1,000     |           |           |           |
| PPCD  | \$ 124.39 |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| WATER BASE DEBT   | \$ 22.10  | 24  | WDF: DEBT     | \$ 0.50   | \$ 1.00   | \$ 1.50   | \$ 2.00   | \$ 3.00    | \$ 4.00   | \$ 5.00   | \$ 5.00   | \$ 6.00   | \$ 6.00   | \$ 6.00   | \$ 7.00   | \$ 7.00    | \$ 7.00   | \$ 7.00   | \$ 7.00    | \$ 7.00   |           |           |
| <b>WATER LEASE</b>  |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| <b>\$17,500 PYMT PER</b>  |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| <b>MONTH STARTING</b>   |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| <b>1-1-2019</b>   |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
|   |           |     | LEASE: \$70 X |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
|   |           |     | 3,000ACF      |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
|   |           |     | /500MG        | \$ 14.40  | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60   | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60  | \$ 21.60   | \$ 21.60  | \$ 21.60  | \$ 21.60   | \$ 21.60  |           |           |
|   |           |     | M&O           |           |           |           |           | \$ 43.20   | \$ 43.20  | \$ 43.20  | \$ 43.20  | \$ 43.20  | \$ 43.20  | \$ 43.20  | \$ 43.20  | \$ 43.20   | \$ 43.20  | \$ 43.20  | \$ 43.20   | \$ 43.20  |           |           |
| WATER M&O   | \$ 104.80 |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| WATER ABOVE BASE  | \$ 80.89  |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| SEWER   | \$ 19.39  |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| REFUSE  | \$ 5.40   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| RECYCLE   | \$ 2.50   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| DUF   | \$ 6.00   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| TIF   | \$ 2.69   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| 1.5% ST   | \$ 1.60   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| 8.25% ST  | \$ 0.45   |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| 8.25% ST  | \$ 425.40 |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |
| <b>% INC TOTAL BILL: YR TO YR</b>   |           |     |               | \$ 440.30 | \$ 448.00 | \$ 448.50 | \$ 449.00 | \$ 493.20  | \$ 494.20 | \$ 495.20 | \$ 495.20 | \$ 496.20 | \$ 496.20 | \$ 496.20 | \$ 496.20 | \$ 497.20  | \$ 497.20 | \$ 506.32 | \$ 506.32  | \$ 506.32 | \$ 519.52 | \$ 519.52 |
|   |           |     |               | 3.5%      | 1.7%      | 0.1%      | 0.1%      | 9.8%       | 0.2%      | 0.2%      | 0.0%      | 0.2%      | 0.0%      | 0.0%      | 0.0%      | 0.2%       | 1.8%      | 0.0%      | 0.0%       | 0.0%      | 2.6%      | 0.0%      |
| WDF= WATER DEVELOPMENT FEE  |           |     |               |           |           |           |           |            |           |           |           |           |           |           |           |            |           |           |            |           |           |           |



WATER RATES

BILLING INCREASES

LONG RANGE WATER SUPPLY

COST COMPONENTS:

- DEBT
- LEASE ON 3,000 AC/FT
- OPERATIONS AND MAINTENANCE

NOTE: BASED ON INITIAL DEBT

NON-RESIDENTIAL: DIFFERENT SIZE CUSTOMERS

AUG 2018

OTHER CUSTOMERS (NON-RESIDENTIAL)

|   |           | CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70AC/FT*3,000 AF PER YR) |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
|---|-----------|--|---------------------------|-----------|-----------|-----------|-----------|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--|-----------|-----------|--|-----------|--|
| Small Other User  | 2017-18   | USE  | Effect Date               | 2018-19   | 2019-20   | 2020-21   | 2021-22   | 2022-23                                  | 2023-24   | 2024-25   | 2025-26   | 2026-27   | 2027-28   | 2028-29   | 2029-30   | 2030-31                                    | 2031-32   | 2032-33   | 2033-34                                    | 2034-35   |  |
| ELECTRIC  | \$ 108.58 |  | Increases                 | 10/1/2018 | 10/1/2019 | 10/1/2020 | 10/1/2021 | 10/1/2021                                | 10/1/2023 | 10/1/2024 | 10/1/2025 | 10/1/2016 | 10/1/2017 | 10/1/2018 | 10/1/2019 | 10/1/2021                                  | 10/1/2031 | 10/1/2032 | 10/1/2034                                  | 10/1/2034 |  |
| PPCD  | \$ 100.84 |  |                           |           |           |           |           | 1,500 ACFT:<br>\$900,000<br>\$1.80/1,000 |           |           |           |           |           |           |           | 2,000 ACFT:<br>\$1,200,000<br>\$2.18/1,000 |           |           | 7,500 ACFT:<br>\$1,500,000<br>\$2.73/1,000 |           |  |
| Water Base Debt   | \$ 32.83  | 3  | WDF: DEBT                 | \$ 1.00   | \$ 1.50   | \$ 2.00   | \$ 3.00   | \$ 4.00                                  | \$ 5.00   | \$ 6.00   | \$ 6.00   | \$ 7.00   | \$ 7.00   | \$ 7.00   | \$ 8.00   | \$ 8.00                                    | \$ 8.00   | \$ 8.00   | \$ 8.00                                    | \$ 8.00   |  |
| WATER LEASE \$17,500<br>PYMT PER MONTH<br>STARTING 1-1-<br>2019 |           | 3  | LEASE: \$70 x<br>3,000ACF | \$ 1.80   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70                                  | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70                                    | \$ 2.70   | \$ 2.70   | \$ 2.70                                    | \$ 2.70   |  |
| WATER M&O   |           | 3  | /500MG<br>M&O             | \$ 1.80   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70                                  | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70   | \$ 2.70                                    | \$ 2.70   | \$ 2.70   | \$ 2.70                                    | \$ 2.70   |  |
| Water Above Base  |           |  |                           |           |           |           | \$ 5.40   | \$ 5.40                                  | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40   | \$ 5.40                                    | \$ 5.40   | \$ 5.40   | \$ 5.40                                    | \$ 5.40   |  |
| SEWER   | \$ 19.13  |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| REFUSE  | \$ 42.05  |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| RECYCLE   |           |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| DUF   | \$ 5.25   |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| TIF   | \$ 6.00   |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| 1.5% ST   |           |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| 8.25% ST  | \$ 22.73  |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| 8.25% ST  | \$ 3.47   |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
|   | \$ 400.38 |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |
| <b>% INC TOTAL BILL: YR TO YR</b>                               |           |  |                           | \$ 403.18 | \$ 404.58 | \$ 409.08 | \$ 406.08 | \$ 412.48                                | \$ 413.48 | \$ 414.48 | \$ 414.48 | \$ 415.48 | \$ 415.48 | \$ 415.48 | \$ 416.48 | \$ 417.62                                  | \$ 417.62 | \$ 417.62 | \$ 419.27                                  | \$ 419.27 |  |
|   |           |  |                           | 0.7%      | 0.3%      | 0.1%      | 0.2%      | 1.6%                                     | 0.2%      | 0.2%      | 0.0%      | 0.2%      | 0.0%      | 0.0%      | 0.2%      | 0.3%                                       | 0.0%      | 0.0%      | 0.4%                                       | 0.0%      |  |
| WDF= WATER DEVELOPMENT FEE                                      |           |  |                           |           |           |           |           |  |           |           |           |           |           |           |           |  |           |           |  |           |  |

|   |             | CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70AC/FT*3,000 AF PER YR) |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
|---|-------------|--|------------------------------------|-------------|-------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---|-------------|-------------|---|-------------|--|
|   | 2017-18     | USE  | Effect Date                        | 2018-19     | 2019-20     | 2020-21     | 2021-22     | 2022-23                                   | 2023-24     | 2024-25     | 2025-26     | 2026-27     | 2027-28     | 2028-29     | 2029-30     | 2030-31                                     | 2031-32     | 2032-33     | 2033-34                                     | 2034-35     |  |
| Med Other User  | \$ 753.00   |  | Increases                          |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| ELECTRIC  |             |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| PPCD-Demarc   | \$ 2,209.79 |  |                                    |             |             |             |             | 1,500 ACFT:<br>\$900,000<br>\$1.80 /1,000 |             |             |             |             |             |             |             | 2,000 ACFT:<br>\$1,200,000<br>\$2.18 /1,000 |             |             | 2,500 ACFT:<br>\$1,500,000<br>\$2.73 /1,000 |             |  |
| WATER Riser Debt  | \$ 32.83    | 73   | WDF: DEBT                          | \$ 1.00     | \$ 1.50     | \$ 2.00     | \$ 3.00     | \$ 4.00                                   | \$ 5.00     | \$ 6.00     | \$ 6.00     | \$ 7.00     | \$ 7.00     | \$ 7.00     | \$ 8.00     | \$ 8.00                                     | \$ 8.00     | \$ 8.00     | \$ 8.00                                     | \$ 8.00     |  |
| WATER LEASE \$17,500<br>PYMT PER MONTH<br>STARTING 1-1-<br>2019 |             | 73   | LEASE: 572 K<br>3,000ACF<br>/500MG | \$ 43.80    | \$ 65.70    | \$ 65.70    | \$ 65.70    | \$ 43.80                                  | \$ 43.80    | \$ 43.80    | \$ 43.80    | \$ 43.80    | \$ 43.80    | \$ 43.80    | \$ 43.80    | \$ 43.80                                    | \$ 43.80    | \$ 43.80    | \$ 43.80                                    | \$ 43.80    |  |
| WATER M&O   |             | 73   | M&O                                |             |             |             |             | \$ 131.40                                 | \$ 131.40   | \$ 131.40   | \$ 131.40   | \$ 131.40   | \$ 131.40   | \$ 131.40   | \$ 131.40   | \$ 159.14                                   | \$ 131.40   | \$ 131.40   | \$ 199.29                                   | \$ 131.40   |  |
| Water Above Base  | \$ 405.65   |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| SEWER   | \$ 405.50   |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| REFUSE  | \$ 472.78   |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| Secur Lights  | \$ 12.50    |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| DJF   | \$ 5.25     |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| TIF   | \$ 6.00     |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| 1.5% ST   | \$ 1.14     |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| 8.25% ST  | \$ 38.80    |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
| 8.25% ST  | \$ 245.25   |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |
|   | \$ 4,602.58 |  |                                    | \$ 4,647.38 | \$ 4,669.78 | \$ 4,670.28 | \$ 4,671.28 | \$ 4,781.78                               | \$ 4,782.78 | \$ 4,783.78 | \$ 4,783.78 | \$ 4,783.78 | \$ 4,784.78 | \$ 4,784.78 | \$ 4,784.78 | \$ 4,785.78                                 | \$ 4,785.78 | \$ 4,785.78 | \$ 4,853.67                                 | \$ 4,785.78 |  |
| % INC TOTAL BILL YR TO YR                                       |             |  |                                    | 1.0%        | 0.5%        | 0.0%        | 0.0%        | 2.4%                                      | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.6%  | -0.6%       | 0.0%        | 1.4%  | -1.4%       |  |
| WDF= WATER DEVELOPMENT FEE                                      |             |  |                                    |             |             |             |             |   |             |             |             |             |             |             |             |   |             |             |   |             |  |

CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70AC/FT\*3,000 AF PER YR)

| 2017-18                                   | 2018-19     | 2019-20     | 2020-21     | 2021-22     | 2022-23     | 2023-24     | 2024-25     | 2025-26     | 2026-27     | 2027-28     | 2028-29     | 2029-30     | 2030-31     | 2031-32     | 2032-33     | 2033-34     | 2034-35     |             |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| LARGE Other User                          |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| ELECTRIC                                  | \$ 263.38   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| PPCD                                      | \$ 606.12   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| WATER Base Debt                           | \$ 32.83    |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| WATER LEASE \$17,500<br>STARTING 1-1-2019 |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| WATER M&O                                 |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| Water Above Base                          | \$ 811.35   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| SEWER                                     | \$ 777.56   |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| REFUSE                                    | \$ 31.14    |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| RECYCLE                                   | \$ 5.73     |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| CLF                                       | \$ 6.00     |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 1.5% ST                                   | \$ 21.73    |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
| 8.25% ST                                  | \$ 2.57     |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |
|   | \$ 2,607.93 | \$ 2,688.73 | \$ 2,729.13 | \$ 2,729.63 | \$ 2,730.63 | \$ 2,971.03 | \$ 2,932.13 | \$ 2,933.13 | \$ 2,933.13 | \$ 2,934.13 | \$ 2,934.13 | \$ 2,934.13 | \$ 2,935.13 | \$ 2,985.67 | \$ 2,985.67 | \$ 2,985.67 | \$ 3,058.82 | \$ 3,058.82 |
| % INC TOTAL BILL YR TO YR                 |             | 3.1%        | 1.5%        | 0.0%        | 0.0%        | 8.8%        | -1.3%       | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 0.0%        | 1.7%        | 0.0%        | 0.0%        | 2.5%        | 0.0%        |
| WDF= WATER DEVELOPMENT FEE                |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |             |

\\Warrif-Pkns\1A Public Works\GBRA LONG TERM WATER AUG 2018 FW D\TYPICAL WATER CUSTOMERS NEW WATER COSTS 1-11-18 JEFF A 10-20-18 8-21-18.VIR

| CITY OF LOCKHART - LONG RANGE WATER SUPPLY FUNDING REQUIRED 8-21-2018 (LEASE IS \$70AC/FT*3,000 AF PER YR) |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|--|-------------|--------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| USE  | Effect Date | 2018-19      | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 | 2031-32 | 2032-33 | 2033-34 | 2034-35 |
| LARGE Other User   | 2017-18     |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| ELECTRIC   |             | \$ 1,126.95  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| PRCD-DEMAND  |             | \$ 8,683.62  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| WATER Base Debt  |             | \$ 32.83     |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| WATER LEASE \$17,500   |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| WATER LEASE \$17,500   |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| WATER M&O  |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Water Above Base   |             | \$ 4,184.18  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| SEWER  |             | \$ 3,897.19  |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| REFUSE   |             | \$ 543.93    |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| RECYCLE  |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| OUR  |             | \$ 5.25      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| TIF  |             | \$ 6.00      |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| 1.5% ST  |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| 8.25% ST   |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| 8.25% ST   |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
|  |             | \$ 18,479.95 |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |
| % INC TOTAL BILL YR TO YR  |             |              | 2.6%    | 1.29%   | 0.00%   | 0.01%   | 6.35%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 0.00%   | 1.51%   | 0.00%   | 0.00%   | 2.16%   |
| WDF= WATER DEVELOPMENT FEE   |             |              |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |         |





Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|   |                          |                     |   |   |           |
|---|--------------------------|---------------------|---|---|-----------|
| <b>CITY SECRETARY'S USE ONLY</b><br><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 |           |
| <b>Council Meeting Dates:</b> September 25, 2018  |                          |                     |   |   |           |
| Department: City Manager  |                          |                     | Initials  | Date                                    |           |
| Department Head: Vance Rodgers  |                          | Asst. City Manager  |   |   |           |
| Dept. Signature: <i>Vance Rodgers</i>   |                          | City Manager        |   | <i>[Signature]</i>                      | 9-17-2018 |
| Agenda Item Coordinator/Contact (include phone #): Vance Rodgers  |                          |                     |   |   |           |
| <b>ACTION REQUESTED:</b> <input checked="" type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER  |                          |                     |   |   |           |
| <b>CAPTION</b>  |                          |                     |   |   |           |
| Discussion and/or action regarding Ordinance 2018-23 amending Division 2. ELECTRIC RATES COMPUTATION, Section 58-71 through Section 58-74 adding the Mitigation Rate Charge (MRC) definition and describing its use which does not result in a rate increase  |                          |                     |   |   |           |
| <b>FINANCIAL SUMMARY</b>  |                          |                     |   |   |           |
| <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<br>(CIP ONLY) | CURRENT<br>YEAR     | FUTURE<br>YEARS                                     | TOTALS                                  |           |
| Budget  |                          |                     |   | \$0.00                                  |           |
| Budget Amendment Amount   |                          |                     |   | \$0.00                                  |           |
| Encumbered/Expended Amount  |                          |                     |   | \$0.00                                  |           |
| This Item   |                          |                     |   | \$0.00                                  |           |
| <b>BALANCE</b>  | \$0.00                   | \$0.00              | \$0.00  | \$0.00                                  |           |
| <b>FUND(S):</b>   |                          |                     |   |   |           |
| <b>SUMMARY OF ITEM</b>  |                          |                     |   |   |           |
| This Mitigation Rate Charge (MRC) is already in place but not clearly defined. This proposed ordinance defines the rate, its use, and states the amount which is the same for residential and non-residential customers. The funds are placed in a special fund that is used to help lower customer electric billings during peak use months such as, but not limited to, July through September. The rate funds reduce power costs for all customers primarily during the peak use months. |                          |                     |   |   |           |
| <b>STAFF RECOMMENDATION</b>   |                          |                     |   |   |           |
| City Manager respectfully requests approval of the ordinance as presented.  |                          |                     |   |   |           |
| List of Supporting Documents:<br>Electric Rate Components, Typical Customer Examples after proposed change, Current ordinance with amendments highlighted, Ordinance 2018-23  |                          |                     | Other Departments, Boards, Commissions or Agencies: |   |           |



**ORDINANCE 2018-23**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS AMENDING CHAPTER 58, DIVISION 2, CAPTIONED "ELECTRIC RATES COMPUTATION", SECTIONS 58-71 THROUGH 58-74 OF THE CODE OF ORDINANCES, DEFINING THE MITIGATION RATE CHARGE AND DESCRIBING ITS USE IN ALL SECTIONS, AND RESULTING IN NO ELECTRIC RATE INCREASE; PROVIDING FOR SEVERABILITY; PROVIDING A REPEALER; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Lockhart City Council instructed staff in July, 2014, to start a Rate Mitigation Fund to lower electric rates during peak electric use periods; and

**WHEREAS**, a Mitigation Rate Charge (MRC) is included in the current ordinance as: "and other rates as may be publicly approved by Council," which does not clearly define the rate and describe what the funds are to be used for; and

**WHEREAS**, the City Council desires to define the MRC and to appropriately describe what its funds can be used for; and

**WHEREAS**, the City Council finds that the Mitigation Rate Charge serves the public purpose of providing for lower electric rates during peak electric use periods.

**NOW, THEREFORE**, be it ordained by the City Council of the City of Lockhart, Texas that Sections 58-71 through 58-74 of the Code of Ordinances, City of Lockhart, Texas are hereby amended to read as follows:

I.

**Sec. 58-71. - Definitions and applications.**

(14) *The rate mitigation charge (RMC)* is that rate set to produce funds to lower electric billings during peak use months such as, but not restricted to, July through September. The rate funds reduce power costs for all customers.

*[all other subsections remain unchanged]*

**Sec. 58-72. - Computation of purchased power cost and local charges.**

(a) The purchased power cost (PPC) shall be applicable to all classes of customers for each kilowatt hour consumed and shall be computed as follows: the total purchased power cost (PPC) from the LCRA invoice of the previous month which includes all applicable fees and mandated charges shall be divided by the total number of kilowatt hours on the LCRA invoice, multiplied by the local system line loss factor, unbilled kilowatt hour factor (City Accounts), and transfers of not more than 1.14816 which may vary by rate class and season, plus any other rates as may be publicly approved by the council as determined during each annual budget preparation and approved by the city council; such charges shall be subject to adjustments for revenues after publication and as approved by the city council. The local charges for all rate classes shall include a fixed charge, a system charge, a demand charge (where applicable), a capital improvement rate (CIR) charge, and a Mitigation Rate Charge (RMC). The fund derived from the

CIR charge shall be set aside in a special fund to supplement costs for capital improvements, upgrades, extensions of the electrical distribution system, electrical related emergencies, electrical substation repair or improvements, and other electricity related uses as allowed by state law and approved by the city council in open session. The fund derived from MRC shall be set aside in a special fund to lower electric billings during peak use months such as, but not restricted to, July through September.

*[all other subsections remain unchanged]*

**Sec. 58-73. - Residential rates.**

(5) A MRC charge \$0.00260 for all kilowatt hours consumed.

*[all other subsections remain unchanged]*

**Sec. 58-74. - General service non-demand and demand rates.**

(a) All general service non-demand customers as defined in this division shall have monthly electric rates as follows:

(5) A MRC of \$0.00260 for all kilowatt hours consumed. .

(b) All general service demand customers as defined in this division shall have monthly electric rates set as follows:

(8) A MRC of \$0.00260 for all kilowatt hours consumed. .

*[all other subsections remain unchanged]*

II. Repealer: All other ordinances, section, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

III. Publication: The City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

IV. It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required by law.

V. Severability: If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity or any other portion, provision or regulation.

VI. Effective Date: This ordinance shall become effective and be in full force upon passage.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2018.

CITY OF LOCKHART

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

ATTEST:

APPROVED AS TO FORM:

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

\_\_\_\_\_  
Peter Gruning, City Attorney

## ELECTRIC UTILITY RATE: BASIC COMPONENTS

| Purchase Power Rate Side        | Explanations  |
|---------------------------------|---|
| Generation Charge               | Produce the electric power  |
| Transmission Charge             | Brings power from generation point to City Substations (regulated)  |
| Transformation Charge           | Maintenance and metering services at substations and other points   |
| Line Loss                       | Difference in delivered meter readings and sold meter readings  |
| ERCOT Fees                      | Electric Reliability Council of Texas   |
| FERC Fees                       | Federal Energy Regulation Commission  |
| Transfers into Support Gen Fund | General Fund is supported by transfers from Electric Fund   |
| Local Power Rate Side           | Explanations  |
| Distribution                    | Distributes power from substations to homes and businesses; repairs and maintenance of electrical system          |
| Billing Services                | Collects meter data, changes meters, repairs meters, and bills and collects for utility services                  |
| Capital Improvements (CIR)      | Major line replacement, transformers, major equipment to maintain and repair system; line extension in some cases |
| Mitigation Rate Charge          | Funds to lower electric utility bills during peak use periods   |

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## City of Lockhart Electric Rates

### Example of Customer Rates: Moving MRC from Purchase Power into Local Charge

| Customer Type | Kilowatt Hours Used | Electric Bill With<br>MRC in Purchase<br>Power Rate | Electric Bill With<br>MRC in Local<br>Charge Rate |
|---------------|---------------------|---|---|
| Commercial    | 5,000               | \$ 544.67   | \$ 544.46   |
| Commercial    | 100,000             | \$ 9,240.29   | \$ 9,236.14                                       |
| Residential   | 1,000               | \$ 99.65  | \$ 99.61  |
| Residential   | 2,000               | \$ 198.81   | \$ 198.73   |
|               |                     |   |   |
|               |                     |   |   |
|               |                     |   |   |

History

00027

in response to the concerns previously expressed. One provision would allow small off-premise signs for giving directions to tax exempt facilities to allow at least one per property and, if the street frontage of a single property is greater than 250 feet, it allows two such signs. A provision was also added to state that off-premise signs require a sign permit and they cannot be located in a public street right-of-way, and must have the consent of the property owner. A paragraph has been inserted to address an apparent need for off-premise signs giving directions to new subdivisions, particularly those that are not visible from a major street. The proposed new standard contains a size limit based on the speed limit of the street along which the signs are displayed, along with other criteria to ensure that they are temporary.

There was discussion regarding the distance of off-premise signs on one parcel.

**J. DISCUSS RESOLUTION 04-18 REDUCING THE SUMMER ELECTRIC RATES BY \$0.0056 CENTS PER KILOWATT HOUR FOR THE BILLING CYCLES OF JULY, AUGUST AND SEPTEMBER 2004, TO RETURN \$169,133 IN FUEL ADJUSTMENT CREDITS AND INTEREST TO RATE PAYERS.**

Mr. Rodgers stated that the City received fuel credit adjustments during the early part of this fiscal year. The funds were placed in a "rate mitigation" account with the anticipation of the Lower Colorado River Authority raising utility rates again, which did not happen. These funds and interest can be returned to the ratepayers during the billings of July, August and September of this year. Over this period, we estimate that the ratepayers will use 30 million kilowatt hours. The decrease would provide approximately \$5.60 per month savings for a 1,000 kilowatt hour user.

**K. DISCUSS ORDINANCE 04-18 AMENDING CHAPTER 48, SOLID WASTE, SECTION 48-40, LIMITING THE QUANTITY OF BRUSH AND LIMBS TO BE CHIPPED OR PICKED UP BY CITY CREWS TO 12 CUBIT YARDS IN ORDER TO PROVIDE BETTER RESPONSE TIMES TO THE MAJORITY OF CITIZENS.**

Mr. Rodgers stated that contract individuals or companies often cut large quantities of trees and limbs and tell the citizens to call and tell the City that they themselves did the work so the City would chip the brush/limbs. Sometimes these large piles take a half-day or more and severely delay appropriate responses to the majority of other citizens that need this service. There are several contractors that do haul off or chip what they cut and only few take advantage of the system.

Councilmember Roland expressed his concern that citizens would take their tree trimmings to the County ditches if a limitation were established. He suggested a rate increase for brush chipping services over 12 cubic feet. Mr. Rodgers replied that their focus was to maintain the chipping services to accommodate the majority of our customers needing this service for 12 cubic yards or less. With only one small chipper and one truck, we are not set up to chip large volumes of brush.

**M. PRESENTATION OF THE FISCAL YEAR 2004-2005 WATER TREATMENT AND WASTEWATER TREATMENT BUDGETS AS PROPOSED BY THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA), AND CONSIDERATION OF APPROVAL THEREOF.**

John Smith of the Guadalupe-Blanco River Authority outlined the water treatment plant budget. He outlined expenses for water treatment services.

*History*

Councilmember White suggested that \$4,000 be allocated to begin a fund for a spay and neuter project for the Animal Shelter.

**CONSENSUS:** After discussion, the consensus of the Council was to allocate an additional \$4,000 to the chemical and medical line item in the animal shelter.

**CONSENSUS:** After discussion, the consensus of the Council was to allocate a 4.5 percent wage increase for city employees.

There was discussion regarding the electric rate increases from the Lower Colorado River Authority. Staff rate mitigation funds as authorized by Council to help keep rates stable. The average consumption has increased due to the extreme heat. Information about the rates would be included in the City newsletter.

There was discussion regarding allocating funds for another sidewalk project.

There was discussion regarding the certified tax rolls.

**ITEM 3-B. DISCUSSION AND/OR ACTION REGARDING TENTATIVE BUDGET AND TAX RATE ADOPTION CALENDAR FOR FISCAL YEAR 2008-2009, IF NECESSARY.**

There was no discussion.

**ITEM 4. ADJOURNMENT.**

Councilmember Wieland made a motion to adjourn the meeting. Councilmember White seconded. The motion carried by a vote of 6-0. The meeting was adjourned at 8:58 p.m.

PASSED and APPROVED this the 5<sup>th</sup> day of August 2008.



CITY OF LOCKHART

*[Signature]*  
James Bertram, Mayor

ATTEST:

*[Signature]*

Connie Ortiz, TRMC, City Secretary

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Work Session Item # \_\_\_\_\_

Reg. Mtg. Item # \_\_\_\_\_

**CITY OF LOCKHART  
COUNCIL AGENDA ITEM**

|  |                          |                     |   |   |
|--|--------------------------|---------------------|---|---|
| <b>CITY SECRETARY'S USE ONLY</b><br><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 |
| <b>Council Meeting Dates:</b> September 25, 2018   |                          |                     |   |   |
| Department: City Manager   |                          |                     | Initials  | Date                                    |
| Department Head: Vance Rodgers   |                          | Asst. City Manager  |   |   |
| Dept. Signature: <i>Vance Rodgers</i>  |                          | City Manager        |   | <i>[Signature]</i> 9-18-2018            |
| Agenda Item Coordinator/Contact (include phone #): Vance Rodgers   |                          |                     |   |   |
| <b>ACTION REQUESTED:</b> <input type="checkbox"/> ORDINANCE <input type="checkbox"/> RESOLUTION <input type="checkbox"/> CHANGE ORDER <input checked="" type="checkbox"/> AGREEMENT<br><input type="checkbox"/> APPROVAL OF BID <input type="checkbox"/> AWARD OF CONTRACT <input type="checkbox"/> CONSENSUS <input type="checkbox"/> OTHER |                          |                     |   |   |
| <b>CAPTION</b>   |                          |                     |   |   |
| Discussion and/or action to consider approval of a service and support agreement and fee of \$4,825 per year with American Signal Corporation (ASC) for the City's early warning siren system, and appointing the Mayor to sign the agreement if approved  |                          |                     |   |   |
| <b>FINANCIAL SUMMARY</b>   |                          |                     |   |   |
| <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<br>(CIP ONLY) | CURRENT<br>YEAR     | FUTURE<br>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                                  |
| <b>FUND(S):</b>  |                          |                     |   |   |
| <b>SUMMARY OF ITEM</b>   |                          |                     |   |   |
| Gifford Electric of Fort Worth, Texas, was the company that installed the City's early warning siren system and has been maintaining the system. Gifford Electric will no longer be involved, and ASC will take over service and support services of the City's system. The fee will be \$4,825 per year.                                    |                          |                     |   |   |
| <b>STAFF RECOMMENDATION</b>  |                          |                     |   |   |
| City Manager respectfully requests approval of the agreement as presented.   |                          |                     |   |   |
| List of Supporting Documents:<br>ASC Letter, Agreement and Invoice   |                          |                     | Other Departments, Boards, Commissions or Agencies: |   |





September 11, 2018

Re: Announcing Mass Notification Services, Inc. as the new sole source for American Signal Corporation service and support.

Dear Randy Jenkins,

In our ongoing effort to provide factory certified support to our customers in your region, American Signal Corporation has identified Mass Notification Services, Inc., based in Irving, Texas, as the sole source for factory authorized repair, including warranty determination and support.

Mass Notification Services, Inc. is replacing Gifford Electric as the factory authorized service center. American Signal Corporation thanks Gifford Electric for our long relationship of working together to provide life safety systems throughout Texas and surrounding areas.

As the technology and requirements around our products and the needs of our customers have evolved we have recognized the need to make this change.

In addition to certifying Mass Notification Services, Inc. as the factory authorized service center for American Signal Corporation's products and solutions, we also have implemented our Customer & Solution Care Center or (CSCC).

The CSCC is a single point of contact for reporting and managing customer support issues. The CSCC provides 24/7 online access to a database of customer issues which customers have direct access to for reporting and monitoring the status of their issues.

The CSCC works in conjunction with Mass Notification Services, Inc. to ensure factory awareness and readiness to support our customers.

Together American Signal Corporation and Mass Notification Services, Inc. look forward to providing you with the best-in-class service and support for your life safety systems.

Sincerely,

Richard D. Roe  
Executive Vice President  
American Signal Corporation  
414-358-8000  
richardroe@americansignal.com



**Mass Notification  
Service Inc.**

**Sold To:**

City of Lockhart  
Attn: Randy Jenkins  
308 W. San Antonio Street  
Lockhart, Tx 78644

**Invoice #:** 3019

**Invoice Date:** 9/11/2018

**Terms:** 30 Days from Receipt

Annual Preventive Maintenance of Outdoor Mass Notification Siren System

**Pricing Per Contract - \$ 4,825.00**

\*Pricing, SOW and Provisions in accordance with MNS/City Contract dated 9/10/2018

**Please Remit to:**

Mass Notification Services Inc.  
1999 Bryan Street - STE 900  
Dallas, TX 75201

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Contract No: LOCKHART  
Release No: N/A  
Date: 09/10/2018



### CONTRACT

**Work Provided by:**  
Mass Notification Services, Inc.  
1999 Bryan Street – STE 900  
Dallas, TX 75201

**Work Provided for:**  
City of Lockhart  
Attn: Randy Jenkins  
308 W. San Antonio Street  
Lockhart, Tx 78644

**Work Description: Annual Maintenance of Outdoor Mass Notification Siren System**

**Contract Start Date: October 01, 2018**  
**Contract End Date: September 30, 2019**

**Total Contract: \$4,825.00**  
**Terms: 30 Days from Executed Contract**

**THIS ORDER IS ACCEPTED IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED HEREIN. MAIL A COPY OF THIS ORDER WITH YOUR ORIGINAL AUTHORIZED SIGNATURE TO THE CONTRACT ADMIN IDENTIFIED BELOW.**

City of Lockhart, TX  
Auth. Signature \_\_\_\_\_  
Printed Name \_\_\_\_\_  
Date \_\_\_\_\_ Phone \_\_\_\_\_

Mass Notification Services, Inc.  
Auth. Signature \_\_\_\_\_  
Printed Name \_\_\_\_\_  
Date \_\_\_\_\_ Phone \_\_\_\_\_

### KEY CONTACTS

| Name          | Title                 | Agency/Company              | Role                |
|---------------|-----------------------|-----------------------------|---------------------|
| Randy Jenkins | Fire Chief/EM Coord.  | City of Lockhart            | Customer POC        |
| David Medford | Siren Technician      | MNS Inc                     | Technician          |
| Melanie Roe   | Solution Care Manager | American Signal Corporation | Service Coordinator |

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Contract No: LOCKHART  
Release No: N/A  
Date: 09/10/2018



## BASE CONTRACT

This Agreement made this day of September 25<sup>th</sup>, 2018 by and between Mass Notification Services, Inc., hereinafter called the Contractor and City of Lockhart, TX hereinafter called the Owner.

Witnesseth, that the Contractor and Owner for the considerations named agree as follows:

## SCOPE OF WORK

### PREVENTIVE MAINTENANCE

The Contractor shall perform Annual Preventative Maintenance of the Mass Notification Siren System and applicable Control Points/Activation Stations.

Preventative maintenance will be performed once each contract year on each of the 4 ASC T-128 and 1 ASC T-121 siren sites in the Mass Notification Siren System. The Contractor will schedule preventative maintenance cycle and submit this schedule to the Owner for review and comment.

- Preventive maintenance will be performed in accordance with Manufacturer Guidelines where available— if those guidelines are not available, a mutually agreed upon procedure will be developed in accordance with industry standards
- Preventive Maintenance will follow the attached Preventive Maintenance Check List that will be provided to the customer upon completion of the Preventive Maintenance Cycle along with recommendations and actions taken
- Preventive Maintenance includes tuning and adjusting of siren/control point equipment and does not include replacement or repair of components.
  - In the Event parts/materials are needed to restore a siren site to Manufacturer Specifications and/or working order, the costs of those repairs will be quoted to Customer POC listed above for approval prior to work being completed (Publish Rate Sheet Attached)
  - In the Event that a customer has provided a pre-authorized repair amount the details of this pre-authorization our provided in “Attachment A”
- Light Environmental Maintenance will be performed on the Siren Site location – but is limited to any vegetation or growth that is in contact with or will be in contact with the Siren Pole or Siren Control/Battery Boxes. This agreement does not include removal of any tree or tree limb (change order and Sub-Contractor will be needed)
- Although this agreement does not cover any monitoring of the system for functionality or operability, it is Contractor’s suggestion that monthly or periodical meetings are held (either via conference call or in person) to establish an open forum to discuss continuous improvement of the system and any Owner concerns. These meetings are not necessary to fulfil the SOW and contractual obligations, and are offered as a mutually beneficial value-added service of this agreement
- Contractor will make best efforts to respond to Siren System and Control Point issues in a timely manner, but this agreement does not set forth a structured onsite response time – further agreements would need to be listed and agreed to by Contractor and Owner and will be added to this agreement as “Attachment B”

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Contract No: LOCKHART  
Release No: N/A  
Date: 09/10/2018



## PROVISIONS

All work shall be completed in a workman-like manner in compliance with all building codes, software licensing and applicable laws.

To the extent required by law all work shall be performed by individuals duly licensed and authorized by law to perform said work. Contractor may at its discretion engage subcontractors to perform work hereunder, provided Contractor shall fully pay said subcontractor and in all instances remain responsible for the proper completion of this contract. Contractor shall furnish Owner appropriate releases or waivers of lien for all work performed or materials provided at the time the next periodic payment shall be due.

All change orders shall be in writing and signed by Owner and Contractor and shall be incorporated in and become part of the contract. Contractor warrants it is adequately insured for injury to its employees and others incurring loss or injury as a result of acts of the Contractor.

Should Owner authorize additional work/services which are beyond the scope of this contract, Contractor will perform the work at the hourly rate stated in attached Rate Sheet.

In the event that the Owner shall fail to pay periodic installment payments due hereunder, Contractor may cease work without breach pending payment resolution of any dispute.

All disputes hereunder shall be resolved by binding arbitration in accordance with rules of the American Arbitration Association.

Contractor shall not be liable for any delay due to circumstances beyond its control.



## Published Service Rate Sheet

EFFECTIVE January 2018

| <b>Labor</b>                    |              |
|---------------------------------|--------------|
| <b>Category</b>                 | <b>Rates</b> |
| In House/Shop Labor             | \$120/Hr     |
| On-Site Labor                   | \$120/Hr     |
| Travel Labor                    | \$65/Hr      |
| Vehicle Hours (Travel + Onsite) | \$125/Hr     |
| Holiday/Weekend On-Site Labor   | \$175/Hr     |
| Holiday/Weekend Travel Labor    | \$100/Hr     |
| Engineering Labor               | \$175/Hr     |

| <b>Expenses</b>   |                          |
|---|--------------------------|
| <b>Item</b>   | <b>Pricing</b>           |
| Airfare   | Cost plus 15% Round-trip |
| Hotel   | Cost plus 15% Per Night  |
| Per Diem-Food and Expense                                   | \$50 Per Day             |
| Equipment Rental (Vehicles, Buckets, Cranes, & Lifts, etc.) | Cost Plus 15%            |

| <b>Parts/Materials</b> |                  |
|------------------------|------------------|
| <b>Availability</b>    | <b>Pricing</b>   |
| All Stock Items        | List Price - 15% |
| Non-Stock Items        | Cost Plus 25%    |

Contract No: LOCKHART  
Release No: N/A  
Date: 09/10/2018



**Mass Notification  
Service** Inc.

## Attachment A

Contract No: LOCKHART  
Release No: N/A  
Date: 09/10/2018



**Mass Notification  
Service** INC

## Attachment B



