

**LOCKHART CITY COUNCIL
REGULAR MEETING**

FEBRUARY 3, 2015

6:30 P.M.

CLARK LIBRARY-MASONIC BUILDING, 217 SOUTH MAIN STREET, 3rd FLOOR, LOCKHART, TEXAS

Council present:

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

Mayor Lew White
Councilmember John Castillo
Councilmember Benny Hilburn

Staff present:

Vance Rodgers, City Manager
Peter Gruning, City Attorney
Sandra Mauldin, Economic Dev. Director
Erik Olufs, EMS Director

Connie Constancio, City Secretary
Jeff Hinson, Finance Director
Dan Gibson, City Planner
Joseph Gorman, Fire Chief

Citizens/Visitors Addressing the Council: Erik Olufs, Director and Apryl Haynes, CEO of Seton EMS; Travis Branch, Citizen; Martin Ritchey of Mid-County Fire Rescue; and, Andy

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. INTRODUCTION OF ERIK OLUFS, EMS DIRECTOR AND JOSEPH A. GORMAN, FIRE CHIEF.

Erik Olufs, Director of Seton EMS introduced himself and thanked all for the opportunity to provide public safety services in Lockhart.

Joseph Gorman, Lockhart Fire Chief thanked staff and Council for the opportunity to assist Lockhart.

The Council welcomed the new employees to their positions.

B. DISCUSS ORDINANCE 2015-02 ORDERING A SPECIAL ELECTION TO BE HELD ON MAY 9, 2015 FOR THE PURPOSE OF FILLING THE UNEXPIRED TERM OF THE POSITION OF ONE COUNCILMEMBER AT-LARGE AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW AND MAKING PROVISIONS FOR THE CONDUCT OF THE ELECTION.

Ms. Constancio stated that, as directed by Council, the Ordinance orders a Special Election to be held on May 9, 2015 for the purpose of filling the unexpired term of the position of One Councilmember At-Large. Details about early voting, election day polling locations and the joint election agreement with the Caldwell County Administrator's office will be presented for the Council's consideration at a future meeting.

C. DISCUSS THE MID-COUNTY FIRE/RESCUE (MCFR), WHICH SERVES THE AREA GENERALLY BETWEEN LOCKHART AND LULING, TO INCLUDE A PORTION OF LOCKHART'S EXTRATERRITORIAL JURISDICTION IN THE PROPOSED EMERGENCY SERVICES DISTRICT NO. 4 (ESD).

Mr. Rodgers stated that the Mid-County Fire/Rescue (MCFR) now receives a small amount of Caldwell County funding for providing fire/rescue services in the rural area between Lockhart and Luling. If approved by the voters, the Emergency Services District (ESD) No. 4 would be formed. Part of the area proposed to be in the ESD is in Lockhart's extraterritorial jurisdiction. The MCFR has requested approval by the City Council to include the area in the proposed ESD No 4. The area is just south of State Park Road, west of the Twin Island Subdivision, and east of the State Park. Even though a small portion of the ETJ area is proposed for future voluntary annexation, it will not adversely affect Lockhart because MCFR has not spent funds in the area. Mr. Rodgers recommended approval. There was discussion.

Martin Ritchey of MCFR provided brief information about the services provided by the Emergency Services District which would allow the MCFR to assist larger areas within Caldwell County.

D. DISCUSS AMENDMENT TO THE AMENDED AND RESTATED WHOLESALE POWER AGREEMENT (ARWPA) WITH THE LOWER COLORADO RIVER AUTHORITY (LCRA) WHICH REDUCES THE TIME FROM TWO YEARS TO ONE YEAR FOR REQUIRED NOTICES OF DECREASE AND ALSO LIMITS THE CURRENT PUBLIC SERVICE FUND (PSF) CHARGE TO NO MORE THAN 3% OF BUDGETED NON-FUEL COSTS WHICH IS BENEFICIAL LOCALLY FOR BUDGETING PURPOSES, AND APPOINTING THE MAYOR TO SIGN THE AMENDMENT IF APPROVED.

Mr. Rodgers stated that the Lower Colorado River Authority (LCRA), working with the Rates and Resources Council of which the City Manager is an appointee, has agreed to reduce the amount of notice time required when a retail wants to buy more power from the open market from two years to one year. The amendment also sets the Public Service Fund limit at 3% which helps with local rates for wholesale electric power purchased from LCRA. Mr. Rodgers recommended approval. There was discussion.

E. DISCUSS ORDINANCE 2015-03 ANNEXING APPROXIMATELY 22 ACRES IN THE CITY OF LOCKHART EXTRATERRITORIAL JURISDICTION OUT OF TWO ADJACENT TRACTS TOTALING 23.539 ACRES IN THE FRANCIS BERRY SURVEY, ABSTRACT NO. 2, AND LOCATED AT 1808 STATE PARK ROAD (FM 20 WEST), INTO THE CITY LIMITS AND ASSIGNING THERETO A ZONING CLASSIFICATION OF AO AGRICULTURAL OPEN-SPACE DISTRICT AND AMENDING THE OFFICIAL ZONING MAP ACCORDINGLY.

Mr. Gibson stated that in 2007, the City annexed 420 acres, including Lockhart State Park, into the city limits at the southwest corner of the city. The annexation was originally proposed to be larger, but a newly adopted State law required the City to offer development agreements in lieu of annexation to owners of property having agricultural property tax exemptions. If an owner declined to negotiate such an agreement, the City could proceed to annex their property. If they signed the development agreement, then they would be assured that it will remain in the extraterritorial jurisdiction (ETJ) and not be subject to City taxes for up to 15 years, or whenever the property is subdivided or a permit is requested for development, whichever is sooner. During that time period, the agreement requires the owner to comply with all city ordinances, including zoning standards as if it were zoned AO, that do not interfere with the use of the property for agricultural purposes. The agreement states that development of the property

constitutes a petition for voluntary annexation by the owner, and the property will be subject to annexation at the discretion of the city council. Eight development agreements were signed by the owners of nine contiguous tracts, so those were not annexed, resulting in the current "hole" in the city. One of those tracts now has a new owner, who also acquired a 30-foot strip of an adjacent tract. That owner has applied for a building permit to construct a house, thereby automatically terminating the development agreement and consenting to annexation of the property. The zoning ordinance requires that all newly annexed territory is initially zoned AO. Mr. Gibson recommended approval. There was discussion.

F. DISCUSS DIRECTION GIVEN TO THE CITY MANAGER TO BEGIN PUBLIC NOTICE REQUIREMENTS OF THE COUNCIL'S INTENT TO ISSUE CERTIFICATES OF OBLIGATION FOR \$17 MILLION TO FUND DRAINAGE AND STREETS, UTILITIES, PARKS, AND PUBLIC BUILDING IMPROVEMENTS, A FIRE TRUCK, FIRE BUILDING EXPANSION, AN EMERGENCY WEATHER EARLY WARNING SYSTEM, A PARKS CIVIC BUILDING, DOWNTOWN DRAINAGE/PEDESTRIAN IMPROVEMENTS, AND OTHER PUBLIC BUILDING IMPROVEMENTS WITHOUT INCREASES IN UTILITY RATES OR OTHER RATES BUT WITH A POSSIBLE SMALL INCREASE IN GENERAL FUND REQUIREMENTS TO FUND PRIMARILY PUBLIC SAFETY PROJECTS.

Mr. Rodgers stated that at the January 20 and 27 City Council meetings, the City Manager and City Engineer proposed water, sewer, streets, parks, and building projects and also provided possible funding sources for the projects, which could include the issuance of certificates of obligation without utility rate increases or other rate increases, and possible minor General Fund increases for Fire Truck and other safety related costs. The estimated cost for these projects is not to exceed \$17 million. Many of the projects were identified in the 20/20 Comprehensive Plan, the Impact Fee Study, the Sustainable Places committee, by the Mayor and the Council, and City staff. The major drainage projects which will help protect homeowner properties were presented to Council at the last meeting. At several meetings in the past, the City Manager had also presented information to Council regarding utility needs for community growth, dependability, and stability, and other needed improvements. Mayor Pro-Tem Sanchez asked if drainage issues near the daycare on S. Guadalupe would be better. The City Manager responded the majority of the existing problems were associated with the poor Texas Department of Transportation drainage on State Park Road. He further stated that the conditions should get better with the planned US 183 project improvements and with the redirection of drainage to the south both of which would let drainage waters leave the area sooner reducing the amount of backup. There was further discussion.

Andy Cardenas, 709 Mesquite, expressed concern about the flooding that occurs each time that it rains heavily. The water runs off of FM 2001 to under his house. He stated that the standing water remains in his driveway for months after it rains and that his home floods to the point that he is not allowed to park in his driveway because the water accumulates high enough to get into his vehicles.

Travis Branch, 1009 Braden, provided pictures to the Council that reflected the flooding in his neighborhood that they hope can be fixed with the drainage improvement plans as discussed.

There was discussion.

G. DISCUSS RESOLUTION 2015-03 OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING PROCEEDING WITH THE ISSUANCE OF CITY OF LOCKHART, TEXAS CERTIFICATES OF OBLIGATION; DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; AND OTHER RELATED MATTERS.

Mr. Hinson stated that the Resolution is required to proceed with public notices of intent to issue certificates of obligation by the City Council. The notice of intent will be in the newspaper on each Thursday for two consecutive weeks following approval by the Council. If the Council approves the Resolution, that gives staff the authority to proceed with the \$17million bonds within 30 days after the first publication, which is March 17, 2015. He pointed out that if the voters wanted to challenge the bonds, they could submit a petition that is signed by five percent (5%) of the total number of registered voters to request that the funding not be obtained. There was discussion.

H. DISCUSS CITY COUNCIL TO REVIEW, CHANGE OR RESCIND ORDINANCE 2012-28 AUTHORIZING THE OFFERING OF HEALTH COVERAGE TO CITY RETIREES.

Mr. Hinson stated that Ordinance 2012-28 offers City health insurance to pre-65 retirees. There are currently seven pre-65 retirees on the City's health plan. The cost to the City, as a result of offering the benefit, is about \$35,665 and will increase in insurance costs for 2015. Approximately 4% was a result of retirees in addition to the direct cost to the City. An actuarial study was done and the average recurring cost is estimated at \$47,189 per year. There will also be a non-cash liability estimated at \$519,251. Once a retiree reaches the age of 65, they are no longer eligible for the benefit. There was discussion.

After discussion, the Council requested that staff return options of providing health coverage to retirees for the Council to consider during the first meeting in March 2015.

RECESS: Mayor White announced that the Council would recess for a break at 7:50 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor Lew White called the regular meeting of the Lockhart City Council to order on this date at 8:08 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Invocation - Ministerial Alliance.

Pledge of Allegiance to the United States and Texas flags.

ITEM 3. CITIZENS/VISITORS COMMENTS.

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

ITEM 4. CONSENT AGENDA.

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 4A, 4B, and 4C. Councilmember Hilburn seconded. The motion carried by a vote of 6-0.

The following are the consent agenda items that were approved:

- 4A: Approve Ordinance 2015-02 ordering a Special Election to be held on May 9, 2015 for the purpose of filling the unexpired term of the position of One Councilmember At-Large and ordering Notice of Election to be given as prescribed by law and making provisions for the conduct of the Election.
- 4B: Approve the Mid-County Fire/Rescue (MCFR), which serves the area generally between Lockhart and Luling, to include a portion of Lockhart's extraterritorial jurisdiction in the proposed Emergency Services District No. 4 (ESD).
- 4C: Approve amendment to the Amended and Restated Wholesale Power Agreement (ARWPA) with the Lower Colorado River Authority (LCRA) which reduces the time from two years to one year for required notices of decrease and also limits the current public service fund (PSF) charge to no more than 3% of budgeted non-fuel costs which is beneficial locally for budgeting purposes, and appointing the Mayor to sign the Amendment if approved.

ITEM 5-A. HOLD A PUBLIC HEARING, AND DISCUSSION AND/OR ACTION, TO GRANT OR REFUSE A PETITION FOR ANNEXATION OF APPROXIMATELY 22 ACRES IN THE CITY OF LOCKHART EXTRATERRITORIAL JURISDICTION OUT OF TWO ADJACENT TRACTS TOTALING 23.539 ACRES IN THE FRANCIS BERRY SURVEY, ABSTRACT NO. 2, AND LOCATED AT 1808 STATE PARK ROAD (FM 20 WEST), INTO THE CITY LIMITS AND ASSIGNING THERETO A ZONING CLASSIFICATION OF AO AGRICULTURAL OPEN-SPACE DISTRICT.

Mayor White opened the public hearing at 8:10 p.m. and stated that the staff background report was provided during the work session.

Mayor White requested citizens to speak in favor of or against the proposed annexation. There were none. He closed the public hearing at 8:11 p.m.

ITEM 5-B. DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2015-03 ANNEXING APPROXIMATELY 22 ACRES IN THE CITY OF LOCKHART EXTRATERRITORIAL JURISDICTION OUT OF TWO ADJACENT TRACTS TOTALING 23.539 ACRES IN THE FRANCIS BERRY SURVEY, ABSTRACT NO. 2, AND LOCATED AT 1808 STATE PARK ROAD (FM 20 WEST), INTO THE CITY LIMITS AND ASSIGNING THERETO A ZONING CLASSIFICATION OF AO AGRICULTURAL OPEN-SPACE DISTRICT AND AMENDING THE OFFICIAL ZONING MAP ACCORDINGLY.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2015-03 annexing approximately 22 acres in the City of Lockhart extraterritorial jurisdiction out of two adjacent tracts totaling 23.539 acres in the Francis Berry Survey, Abstract No. 2, and located at 1808 State Park Road (FM 20 West), into the city limits and assigning thereto a zoning classification of AO Agricultural Open-Space District and amending the official zoning map accordingly. Councilmember Hilburn seconded. The motion passed by a vote of 6-0.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING DIRECTION GIVEN TO THE CITY MANAGER TO BEGIN PUBLIC NOTICE REQUIREMENTS OF THE COUNCIL'S INTENT TO ISSUE CERTIFICATES OF OBLIGATION FOR \$17 MILLION TO FUND DRAINAGE AND STREETS, UTILITIES, PARKS, AND PUBLIC BUILDING IMPROVEMENTS, A FIRE TRUCK, FIRE BUILDING EXPANSION, AN EMERGENCY WEATHER EARLY WARNING SYSTEM, A PARKS CIVIC BUILDING, DOWNTOWN DRAINAGE/PEDESTRIAN IMPROVEMENTS, AND OTHER PUBLIC BUILDING IMPROVEMENTS WITHOUT INCREASES IN UTILITY RATES OR OTHER RATES BUT WITH A POSSIBLE SMALL INCREASE IN GENERAL FUND REQUIREMENTS TO FUND PRIMARILY PUBLIC SAFETY PROJECTS.

Mayor Pro-Tem Sanchez made a motion to direct the City Manager to begin public notice requirements of the Council's intent to issue Certificates of Obligation for \$17million to fund drainage and streets, utilities, parks, and public building improvements, a fire truck , fire building expansion, an emergency weather early warning system, a parks civic building, downtown drainage/pedestrian improvements, and other public building improvements without increases in utility rates or other rates but with a possible small increase in general fund requirements to fund primarily public safety projects. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2015-03 OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING PROCEEDING WITH THE ISSUANCE OF CITY OF LOCKHART, TEXAS CERTIFICATES OF OBLIGATION; DIRECTING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION; AND OTHER RELATED MATTERS.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2015-03 of the City Council of the City of Lockhart, Texas, authorizing proceeding with the issuance of City of Lockhart, Texas certificates of obligation; directing publication of Notice of Intension to issue certificates of obligation; and other related matters. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

ITEM 6-C. DISCUSSION AND/OR ACTION FOR CITY COUNCIL TO REVIEW, CHANGE OR RESCIND ORDINANCE 2012-28 AUTHORIZING THE OFFERING OF HEALTH COVERAGE TO CITY RETIREES.

Councilmember Hilburn made a motion to table the item until the March 3, 2015 Council meeting and to direct staff to return with several scenarios about offering health insurance to pre-65 retirees. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING CITY COUNCIL GOALS FOR THE FISCAL YEAR 2015-2016 BUDGET AND POSSIBLY BEYOND.

There was discussion about the City Council goals as listed below:

Priority	Councilmember	Goals
1	Gonzales-Sanchez, Angie	Infrastructure: Drainage, Street Repairs, Completion of Curbing, Brighter Lighting in neighborhoods
1	Hilburn, Benny	Continue to improve City infrastructure
1	Mendoza, Juan	Work with or Hire Retail Recruiting Agency to help attract more retail to Lockhart
1	Michelson, Jeffry	Improve streets all over town: curbs and overlays
1	Roland, Kenny	Drainage projects to give relief to residents
1	White, Lew	Drainage projects
2	Gonzales-Sanchez, Angie	Economic Development: Recruit more businesses especially retail; contact existing and vacant bldg owners to see if they are willing to work with City to bring these small retail businesses, as well as industrial; possibly purchasing two downtown county buildings when on the market for possible new businesses in the downtown area
2	Hilburn, Benny	Continue to look for ways to attract businesses to Lockhart
2	Mendoza, Juan	Start strategizing a plan with LEDC on ways to sell Lockhart
2	Michelson, Jeffry	Continue to improve city parks

2	Roland, Kenny	Fix bad curbs causing drainage problems and street damages in existing neighborhoods
2	White, Lew	Partner with LEDC for land, utility extensions, and more economic development staffing
3	Gonzales-Sanchez, Angie	Police Task Force; Budget extra funds to bring back a much needed Police Task Force to address any drug and gang related problems this city is being faced with especially on the East side of our city. Possibly ask the County to assist with funding.
3	Hilburn, Benny	Improve City Park for better interest and usage by citizens
3	Mendoza, Juan	Work with City Engineer and Planning Dept for new sidewalks within District 1 and other Districts
3	Michelson, Jeffry	Improve Economic Development to draw more businesses to town
3	Roland, Kenny	Work on TxDOT to fix drainage on Blackjack
3	White, Lew	Park Improvements
4	Gonzales-Sanchez, Angie	Parks Improvements: Purchase more park equipment to provide safe and fun filled parks for all to use.
4	Hilburn, Benny	Continue to work on retaining City employees
4	Mendoza, Juan	Start to work with GBRA and finding funds to take part in the mid-basin water project
4	Michelson, Jeffry	Convention Center of some type
4	Roland, Kenny	More subdivision development so more businesses will come to Lockhart
4	White, Lew	Streets
5	Gonzales-Sanchez, Angie	Employee: Possible additional Employee Holiday Time off-Alternating system
5	Hilburn, Benny	Continue to look for ways to attract tourism
5	Mendoza, Juan	Updated Parks Equipment in all parks; plan fundraisers for more parks equipment
5	Michelson, Jeffry	City Hall: Refurbish
5	Roland, Kenny	Work with LEDC and Lockhart Industrial Foundation to get more land for big job employers
5	White, Lew	Branding and Way Finding Signage

Mayor Pro-Tem Sanchez requested that a goal be added regarding employees; to consider implementing a bad weather day policy to allow employees with children or those that reside outside of town to be able to take a few hours to come in to work safely.

Councilmember Castillo stated that he was unable to submit his goals to Mr. Rodgers prior to this meeting. He requested that his goals as listed below be added to the list:

- Improve streets and drainage
- Look into purchasing more property to development another Industrial Park
- Research recruiting a 24-hour emergency clinic
- Replace park equipment
- Expansion of Lockhart's extraterritorial jurisdiction

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

Mayor White requested appointments to various boards, commissions or committees.

Councilmember Michelson removed Yolanda Castillo Strey from the Lockhart Economic Development Revolving Loan Committee because she currently serves on the Civil Service Commission and she cannot serve on both.

Mayor White stated that Wayne Reeder inquired about being removed from the Zoning Board of Adjustment and thereafter to be appointed to the Planning and Zoning Commission. The appointment might only be until May 2015 because the appointment is that of the vacant At-Large position. Mayor White requested consensus of the Council. After discussion, the consensus of the Council was that the vacant At-Large appointment of the Planning and Zoning Commission remain vacant out of respect to Mr. Roland and to allow the newly elected Councilmember of that position to select their appointment.

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

- Meeting: A neighborhood meeting, primarily bounded by 1st, 5th, Neches, and Chihuahua Streets, hosted by the Lockhart Police Department is being planned within the next 30-45 days to solicit neighborhood concerns and to share information about resources available to help address neighborhood concerns. The church on Third Street did not grant use of their facility so we are looking for another location in the immediate neighborhood.
- Update: Kart Race Preparations.
- Update: US Hwy 183 expansion project: water and waste-water work process; City electric work complete; Gas, AT&T and TWC work still in progress; storm water contractor work.
- Report: Lockhart Chamber of Commerce event.
- Reminder: The Hot Rods and Hatters car show will be held Feb. 7 in downtown Lockhart Cars starting at 8 a.m. with live entertainment co-sponsored by the City of Lockhart Downtown Revitalization Events Committee.
- Reminder: Annual Progressive Club event Saturday, February 21, 2015, at 6:30 pm at the Lion Club.

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

Mayor Pro-Tem Sanchez expressed condolences to the families of Cyrus Amaya, Pedro Gonzales, Chrissy Burkland Schulze, and Kenny Roland for their loss. She welcomed the new EMS Director and Fire Chief to Lockhart. Baseball Alumni group will be hosting an event this Saturday at the Lockhart Baseball field.

Councilmember Mendoza expressed condolences to the family of Kenny Roland for their loss.

Councilmember Hilburn expressed condolences to the Roland family for their loss. He welcomed the new EMS Director and Fire Chief to Lockhart. Habitat for Humanity will host a fundraising gala on Saturday, February 21.

Councilmember Michelson expressed condolences to the Roland, Burkland and Schulze families for their loss.

Mayor White encouraged all to attend the Hot Rod & Hatters Car Show this weekend on the downtown square. He stated that Seton is meeting with several entities to give updates about issues that could continue on a quarterly timeline. He expressed condolences to the families that have lost a loved one these past couple of weeks.

ITEM 9. ADJOURNMENT.

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 6-0. The meeting was adjourned at 8:49 p.m.

PASSED and APPROVED this the 17th day of February 2015.



CITY OF LOCKHART

Lew White

Lew White, Mayor

ATTEST:

Connie Constancio

Connie Constancio, TRMC
City Secretary