

REGULAR MEETING

LOCKHART CITY COUNCIL

APRIL 19, 2022

6:30 P.M.

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

Council present:

Councilmember Derrick David Bryant

Councilmember Jeffry Michelson

Mayor Pro-Tem Angie Gonzales-Sanchez (via Zoom)

Mayor Lew White

Councilmember Juan Mendoza

Councilmember Brad Westmoreland

Council absent:

Councilmember Kara McGregor

Staff present:

Steven Lewis, City Manager

Doug Montgomery, City Attorney

Pam Larison, Finance Director

Randy Jenkins, Fire Chief

David Fowler, Senior Planner

Connie Constancio, City Secretary

Victoria Maranan, Public Information Officer

Sean Kelley, Public Works Director

Mike Kamerlander, Economic Development Dir.

Dan Gibson, City Planner

Citizens/Visitors Addressing the Council: William Wachel of TRC Engineers; Kylie Mycock and Bobby Eichholz of Rialto Studio; Matthew Johnson of Mill Scale; Alfonso Sifuentes of Central Texas Refuse; and Citizens: Fred Wiegand and Ronda Reagan.

Work Session 6:30 p.m.

Mayor White announced the Mayor Pro-Tem Sanchez will join the meeting via Zoom. He opened the work session and advised the Council, staff and the audience that staff would provide information and explanations about the following items:

A. DISCUSS THE DOWNTOWN REVITALIZATION FINAL CONCEPTUAL DESIGN REPORT FROM TRC ENGINEERS, INC. AND RIALTO STUDIO.

William Wachel of TRC Engineers, Kylie Mycock and Bobby Eichholz of Rialto Studio provided a detailed report regarding the Downtown Revitalization project. Mr. Wachel stated that if Council gives approval to move forward with the proposed conceptual design, all aspects of the revitalization process will begin.

There was discussion.

Mayor White requested the following individuals to address the Council:

Fred Wiegand, Wiegand Road, stated that trees are important, and he encouraged that they remain.

Ronda Reagan, 412 W. San Antonio, stated that she did not complete the on-line survey because she opposes parallel parking, and she prefers one-way traffic going northbound on Main Street between San Antonio and Pecan streets. She stated that the landscaping on the courthouse lawn should remain the same and that she does not believe that large delivery trucks would be able to go through downtown if large trees are planted.

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

Ms. Larison provided city funding options for the project:

2015 Certificates of Obligation funds	\$2 million
2015 Certificates of Obligation water funds	\$4 million
2015 Certificates of Obligation wastewater funds	\$215,000
2021 General Fund one-time unrestricted fund balance expenditure	\$2 million
ARPA funds (governmental services)	\$2 million

Mayor White announced that Councilmember McGregor previously informed the Council that she would not be attending today's meeting.

Mayor White recommended that a vote on the design concept be held during the next council meeting so that all members of the City Council are present to vote on it.

Mr. Lewis requested that the Council provide direction to staff about whether to work on a third option for Council's consideration during the next meeting. Mayor White replied that direction to staff will be provided during the regular meeting.

RECESS: Mayor White announced that the Council would recess for a break at 7:21 p.m.

REGULAR MEETING

ITEM 1. CALL TO ORDER.

Mayor White called the meeting to order at 7:35 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Councilmember Bryant gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council.

Fred Wiegand, 230 Wiegand Road, requested that the city install handicap parking in front of the library, repave Cunningham Drive, and he suggested that TRC Engineers' conceptual plan include re-routing heavy truck traffic on West San Antonio Street. He requested that the city build an extension of MLK Industrial Blvd across his property and provide free shuttle bus service from the Judicial Center to downtown Lockhart.

ITEM 5-A. DISCUSSION AND/OR ACTION TO CONSIDER THE DOWNTOWN REVITALIZATION FINAL CONCEPTUAL DESIGN REPORT FROM TRC ENGINEERS, INC. AND RIALTO STUDIO.

There was discussion about a third conceptual design for the consultants to present to the Council for consideration during the next meeting.

Mr. Wachel clarified that a new option 2A would be created to include the following:

- Retain the trees, if possible.
- Two way traffic around the square.
- One way traffic going north on Main from Prairie Lea to Market and San Antonio to Walnut.
- One way traffic going south on Commerce from Walnut to San Antonio and Market to Prairie Lea.
- Angle parking instead of parallel parking on Main Street between San Antonio and Walnut.
- Present the costs of reinstituting the plaza concept on the north side.

Mayor White announced that the Council would vote on a downtown revitalization conceptual design during the next council meeting.

ITEM 4. CONSENT AGENDA.

Mayor White stated that since the consent agenda items were not discussed during the work session, they will be discussed individually.

ITEM 4-A. APPROVE RESOLUTION 2022-22 FOR AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT WITH MILL SCALE, LLC.

Mr. Kamerlander stated that the resolution and performance agreement offers incentives for Mill Scale, LLC to move its operations to the City of Lockhart. Mill Scale creates custom smokers worthy of heirloom status. Co-owners and brothers Matt and Caleb Johnson are producing work so far beyond the smoker available at a retail big box store. Whether it's a 94-gallon backyard model, a smaller yakitori grill, or a thousand-gallon pit meant for the largest of commercial operations, the steel coming out of Mill Scale is the highest quality BBQ pit one can purchase. Mill Scale intends to purchase 1.3 acres immediately north of Kreuz Market to establish a new manufacturing facility and retail store front. The move places the company within the city limits of Lockhart for the first time and will generate new property and sales taxes from the new operation. The proposed performance agreement would provide up to a \$50,000 rebate for an electric transformer and a 5-year Lockhart Economic Development Corporation (LEDC) sales tax rebate of 50%. The sales tax rebate is only applicable to LEDC's 0.5% sales tax on what Mill Scale remits to the City in annual sales taxes estimated to total \$25,000 over the 5-year term. The economic development performance agreement requires Mill Scale to invest at least \$1.5 million into the project and hire and maintain 15 jobs over the first 3 years for the duration of the term. Mr. Kamerlander stated that the LEDC and staff recommend approval.

Mr. Kamerlander stated that Matthew Johnson of Mill Scale requests to address the Council.

Matthew Johnson of Mill Scale thanked the city for considering their business in Lockhart. He stated that they are utilizing contractors from Lockhart to assist with designing and building the facility. He requested approval and stated that they propose to be open in November 2022.

Councilmember Michelson made a motion to approve Resolution 2022-22, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

ITEM 4-B. APPROVE CHAPTER 380 AGREEMENT WITH MILL SCALE, LLC. TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.

Mr. Kamerlander stated that the Chapter 380 agreement would assist with tax abatements. The proposed Chapter 380 agreement offers incentives for Mill Scale, LLC to move its operations to the City of Lockhart. Mill Scale creates custom smokers worthy of heirloom status as discussed in the previous item. The proposed 380 agreement would provide a 3-year real and personal property tax rebate that starts at 100% in year 1 and drops to 50% in year 3. The agreement requires Mill Scale to invest at least \$1.5 million into the project and hire and maintain 15 jobs over the first 3 years for the duration of the term. Mr. Kamerlander stated that the LEDC and staff recommend approval.

Councilmember Mendoza made a motion to approve the Chapter 380 Agreement with Mill Scale, LLC, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0.

ITEM 4-C. APPROVE RESOLUTION 2022-23 FOR AN ECONOMIC DEVELOPMENT PERFORMANCE AGREEMENT WITH REVIVAL CYCLES, INC.

Mr. Kamerlander stated that Revival Cycles is an Austin-based custom motorcycle manufacturing company and retailer of motorcycle apparel, accessories, and art. The company has been in Austin for over 15 years and has been on numerous TV shows and works with some of the top motorcycle manufacturers in the world like BMW, Harley Davidson, and Ducati. Revival is considering moving its entire operations from Austin to Lockhart with the purchase of the Masur building at the corner of Church Street and W. San Antonio. The company would occupy the entire space as its corporate headquarters and upgrade the building. The company would create up to 50 jobs in Lockhart in addition to the added value to the building. Additionally, the company would generate a large amount of sales taxes since the space would encompass a retail component and serve as the nexus of sale for all online sales. He outlined several building improvements projects. The proposed performance agreement provides the following incentives in exchange for the investment and job creation: (1) \$250,000 rebate grant to assist with upgrades throughout the building. The deal points are to close on the building, with an investment to upgrade components and install fire suppression, elevator, new windows, etc., effectively using BIG Grant qualified expenses, but larger since this is a job creator and sales tax generator, and (2) LEDC portion of sales tax rebate of 5 years at the following schedule: Year 1: 75%; Year 2: 75%; Year 3: 50%; Year 4: 50%; and Year 5: 50%. Mr. Kamerlander stated that the LEDC and staff recommend approval. There was discussion.

Councilmember Michelson made a motion to approve Resolution 2022-23, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0.

ITEM 4-D. APPROVE CHAPTER 380 AGREEMENT WITH REVIVAL CYCLES, INC. TO PROVIDE INCENTIVES FOR ECONOMIC DEVELOPMENT.

Mr. Kamerlander stated that the proposed Chapter 380 agreement offers incentives for Revival Cycles, Inc. to move its corporate operations to the City of Lockhart from Austin. Revival Cycles is a custom motorcycle manufacturing company and retailer of motorcycle apparel, accessories, and art as discussed in the previous agenda item. The performance agreement provides the following incentives in exchange for the investment and job creation. The Chapter 380 agreement under consideration would be a five-year term for real and personal property tax increment at the following schedule: Property Tax Rebate on Real and Personal Property: Year 1: 75%; Year 2: 66%; Year 3: 50%; Year 4: 33%; Year 5: 25%. Mr. Kamerlander stated that the LEDC and staff recommend approval.

Councilmember Bryant made a motion to approve the Chapter 380 Agreement with Revival Cycles, Inc., as presented. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

ITEM 4-E. APPROVE A LOWER COLORADO RIVER AUTHORITY (LCRA) COMMUNITY DEVELOPMENT PARTNERSHIP PROGRAM MATCHING GRANT TO PURCHASE WATER RESCUE PERSONAL PROTECTIVE EQUIPMENT FOR LOCKHART FIRE RESCUE.

Chief Jenkins stated that the purpose of the LCRA Community Development Partnership Program matching grant is to enhance Lockhart Fire Rescue's response to incidents involving rising or fast moving water. Local firefighters as first responders will be the first to respond to a water incident which requires the appropriate personal protective equipment to respond safely. The use of a personal flotation device is vital for the safety of all personnel operating around rising or moving water. First responders may also be able to support swift water rescue teams operating in the area. Climate change, extreme weather, and/or urban development may cause future flash flooding in areas typically not prone to flooding. The equipment includes four personal flotation devices, wetsuits, harnesses, helmets, gloves, boots, and related equipment such as ropes, pulleys, throw bags, carabiners, and rope grab devices, etc., used in swift water or low angle rescue. The total project cost is approximately \$8,314. The 20% city match is approximately \$1,665. The LCRA grant amount is \$6,649. Existing budgeted funds in FY 2021/2022 will be used for the 20% matching portion of the grant. Once the city has signed and returned the letter of agreement, the grant funds will be transferred to the City of Lockhart to begin the procurement process. Chief Jenkins recommended approval.

Councilmember Mendoza made a motion to approve the Lower Colorado River Authority Partnership Program matching grant, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

ITEM 4-F. APPROVE A NON-MATCHING FIREHOUSE SUBS PUBLIC SAFETY FOUNDATION GRANT FOR A BATTERY-POWERED SET OF AUTOMOBILE EXTRICATION TOOLS FOR LOCKHART FIRE RESCUE.

Chief Jenkins stated that the Firehouse Subs Public Safety Foundation Grant is to obtain a set of battery-powered automobile extrication tools that includes the spreaders, cutters, and telescoping ram. Lockhart Fire has responded to over 200 vehicle accidents in the last three years. As the population increases and the roadways become more congested, the need for extrication equipment will grow. The extrication tools will increase the safety, reliability, and efficiency of the service we provide to the citizens of Lockhart when we respond to motor vehicle accidents. With limited staffing, the state-of-the-art battery extrication tools will increase our efficiency by not requiring a firefighter to move and operate the power unit and supply hose. Each tool can be operated by one firefighter and moved as needed. The citizens of Lockhart benefit when we respond to the scene and quickly remove the occupants from the damaged vehicle and transfer the patient to EMS for advanced treatment and transport to a hospital. The non-matching Firehouse Subs Public Safety Foundation Grant is for a total of \$33,615. The Board of Directors of the Firehouse Subs Public Safety Foundation will determine the method of procurement either by direct purchase by the foundation, or memo of understanding where funds are transferred via Automated Clearing House (ACH). The procurement will begin no later than May 23, 2022. Chief Jenkins recommended approval.

Councilmember Mendoza made a motion to approve the non-matching Firehouse Subs Public Safety Foundation grant, as presented. Councilmember Bryant seconded. The motion passed by a vote of 6-0.

ITEM 4-G. TABLE APPLICATION ZC-22-12 BY JIM MEREDITH ON BEHALF OF ROBERT A. SCHMIDT FOR A ZONING CHANGE FROM CHB COMMERCIAL HEAVY BUSINESS DISTRICT TO RHD RESIDENTIAL HIGH DENSITY DISTRICT FOR 14.57 ACRES IN THE BYRD LOCKHART SURVEY, ABSTRACT NO. 17, LOCATED AT 101 EAST CHINA STREET TO THE JUNE 7, 2022 CITY COUNCIL MEETING.

Mayor White announced that the zoning change application would be tabled until the June 7, 2022 Council meeting.

Councilmember Mendoza made a motion to table ZC-22-12 until the June 7, 2022 Council meeting. Councilmember Michelson seconded. The motion passed by a vote of 6-0.

ITEM 4-H. APPROVE THE MINUTES OF THE APRIL 5, 2022 COUNCIL MEETING.

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

Councilmember Mendoza made a motion to approve the minutes. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

ITEM 5-B. DISCUSSION AND/OR ACTION REGARDING A PROPERTY SALE AGREEMENT FOR 6.788 ACRES IN 130 INDUSTRIAL PARK III WITH ZIEGENFELDER COMPANY.

Mr. Kamerlander stated that the proposed land purchase agreement with the Ziegenfelder Company. Based in Wheeling, WV, the Ziegenfelder Company is a private, family-owned frozen novelty manufacturer that focuses on producing the highest quality frozen ice treats. Its signature item, Budget Saver Assorted Twin Pops, is commonly referred to as the "Rainbow Array™. They are a significant manufacturer of twin pops with production facilities in Wheeling, WV; Chino, CA; and Denver, CO. The Ziegenfelder Company has produced steady and significant double digit growth year over year for the past 15 years while growing its tribe from 60 employees in one facility with three production lines to over 300 employees across three facilities and 12 production lines. Core to its success has always been making the highest quality, best tasting products in the market and selling them to valued customers at the best possible price. The Ziegenfelder Company owns and produces the brand Budget Saver, as well as licensed and private labeled products for premiere retailers. 24/7 operations in their three facilities, generates over 2.5 million pops per day. The potential Lockhart facility is estimated to be a \$30 million investment and create up to 100 jobs in a 42,000 SF facility. Ziegenfelder has presented the LEDC with a purchase sale agreement for land in the new industrial park with the details as follows: Site under the contract: Block B, Lot 1 (6.788 acres). (1) Purchase Price: \$2.75/SF or \$813,134.52; (2) Earnest Money: \$75,000; (3) Feasibility Period: 90 days to complete its Due Diligence related to the site with an additional 45 days beyond the feasibility period to obtain all necessary permits for buyer's intended use; and (4) State of Texas incentives (the Texas Enterprise Fund) is a condition of closing. The Lockhart Economic Development Corporation Board voted unanimously to accept the contract with edits. Mr. Kamerlander recommended approval. There was discussion.

Councilmember Michelson made a motion to approve the property sale agreement for 6.788 acres in the 130 Industrial Park III with Ziegenfelder company, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-0.

ITEM 5-C. CONSIDER AND TAKE ACTION TO AUTHORIZE THE MAYOR TO EXECUTE AN AGREEMENT WITH KENT BROUSSARD TOWER RENTALS, INC. TO LEASE LAND OWNED BY THE CITY FOR THE PURPOSES OF A RADIO TOWER LOCATED AT 1517 DALE ROAD, LOCKHART, TX, AND EXECUTE A TOWER USE LICENSE TO CONTINUE THE CITY'S USE OF THE TOWER FOR POLICE, FIRE, EMS AND OTHER CITY RELATED COMMUNICATIONS; AND TO AUTHORIZE THE MAYOR TO EXECUTE A TOWER USE LICENSE WITH CLEARVIEW TOWER COMPANY III, LLC. TO CONTINUE THE CITY'S USE OF A RADIO TOWER LOCATED NEAR LULING, TX KNOWN AS IRON MOUNTAIN FOR THE SAME PURPOSES AS ABOVE.

Mr. Montgomery stated that this is a renewal of an existing agreement that has been in place since the early 1990s. He recommended that the Council postpone action about the tower use licenses yet move forward on the land lease.

Councilmember Michelson made a motion to approve the land use agreement and to postpone action on the tower use licenses. Councilmember Mendoza seconded. The motion passed by a vote of 6-0.

ITEM 5-D. DISCUSSION REGARDING A CHANGE TO SOLID WASTE COLLECTION ROUTES BY CENTRAL TEXAS REFUSE.

Mr. Kelley stated that Central Texas Refuse (CTR) notified staff about upcoming changes in its waste collection in an effort to improve timely service for each route. CTR plans to convert the residential waste collection from four days per week of rear-load to three days per week and convert the commercial cart customers from two times a week to once per week and supply existing commercial cart customers with an extra cart if needed, starting June 13, 2022. The three residential collection days would be Monday, Tuesday, and Thursday. The residential recycling service will remain unchanged and will continue to pickup every other week on Wednesdays. There will be an additional rear-load vehicle to help with the routes. CTR explained that three days of service are better balanced than the previous service days, with Thursdays having the heavier burden. They said it would also help to have an extra day, Friday, available for any carry-overs due to breakdowns or other unforeseen issues. The planned routes also take into consideration when CTR is ready to phase in an automatic service loading vehicle into service. There are about 1,873 customers out of 5,255 that will experience a day of service change. There are 125 commercial cart customers that would be affected starting June 13, 2022.

Mayor White requested Alfonso Sifuentes to address the Council.

Alfonso Sifuentes, Director of the Public Sector Services of Central Texas Refuse provided details about the proposed change to reduce the collection days from four days per week to three days per week. Effective June 13, 2022, Friday will no longer be a collection day. 1,873 customers will be affected. He stated that CTR will notify the affected customers by placing a notice on their trash cart, in utility bills as an insert, and through social media. There was discussion.

ITEM 5-E. DISCUSSION AND/OR ACTION REGARDING THE PROPOSED AUTO RECYCLE AND SALVAGE YARD LOCATED NEAR SH 183/FM 1185, OUTSIDE THE CITY LIMITS.

Mr. Lewis stated that the Caldwell County Commissioners Court conducted a public hearing regarding a proposed auto recycle and salvage yard during their meeting on April 12, 2022. He introduced David Fowler as the City's new Senior Planner, who also attended the Commissioner Court's public hearing.

Mayor White asked if the council would like to submit a letter in opposition of the proposed auto recycle and salvage yard.

CONSENSUS: After discussion, the consensus of the Council was not to take action. The majority of the Council indicated that they trust the Caldwell County Commissioners Court to make the right decision.

ITEM 5-F. DISCUSSION REGARDING MATTERS RELATED TO COVID-19.

Mayor White stated that mask mandates have been lifted in the travel industry. He encouraged everyone to stay safe.

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

- Update regarding Firefighter Civil Service exams.
- Residential Citywide Spring Clean Up Program on Saturday, April 30.
- Splash pad opens on April 30.
- Redistricting will be brought back to Council on the May 3 meeting.
- Update about new ambulance.

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

Councilmember Mendoza congratulated a local boxing gym for training a boxer that participated in a nationwide boxing match in Dallas.

Mayor Pro-Tem Sanchez expressed condolences to the families of Geneva Bosque, Sylvia Estrada and Manuela Recio Cisneros for their loss.

Mayor White welcomed new City of Lockhart employees. He encouraged everyone to stay safe.

ITEM 8. ADJOURNMENT.

Councilmember Mendoza made a motion to adjourn the meeting. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 6-0. The meeting was adjourned at 8:40 p.m.

PASSED and APPROVED this the 17th day of May 2022.

CITY OF LOCKHART

Lew White

Lew White, Mayor

ATTEST:

Connie Constancio

Connie Constancio, TRMC
City Secretary

