

PUBLIC NOTICE
AGENDA
LOCKHART CITY COUNCIL

June 6, 2023

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

6:30 P.M. WORK SESSION (No Action)

Work session will be held to receive briefings and to initially discuss all items contained on the Agenda posted for 7:30 p.m. Generally, this work session is to simplify issues as it relates to the agenda items. No vote will be taken on any issues discussed or reviewed during the work session except to the extent specifically authorized under the Texas Open Meetings Act.

DISCUSSION ONLY

- A. Presentation and update from Guadalupe-Blanco River Authority (GBRA) regarding the Carrizo Groundwater Supply Project (CGSP). 4-17
- B. Discuss renewal of the Ground Lease Agreement with Livengood Feeds, Inc. for Lot 2 of the Ice House Addition for a five year period and directing the Mayor to execute the agreement if approved. 18-26
- C. Discuss Ordinance 2023-10 of the City Council of the City of Lockhart, Texas establishing a special seniority pay for newly hired police officers with prior full-time paid law enforcement experience and setting forth criteria for the pay; providing for severability; providing for publication and providing an effective date. 27-31
- D. Discuss Resolution 2023-07 amending City-owned hangar rental rates for seventeen (17) T-hangars and six (6) clear span hangars. 32-38
- E. Discuss a Master Services Agreement between the City of Lockhart and M & S Engineering, LLC for electric system capital projects. 39-42
- F. Discuss a policy for Public Improvement Districts. 63-76
- G. Discuss Resolution 2023-08 to update the comprehensive schedule of fees for development-related applications and permits, including revised fees for existing applications, establishment of fee levels for new applications, providing a savings clause, to repeal conflicting ordinances or resolutions, and to provide for an effective date. 77-94
- H. Discuss Resolution 2023-09 creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee Members. 95-97

7:30 P.M. REGULAR MEETING

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

Invocation. Pledge of Allegiance to the United States and Texas flags.

3. PUBLIC COMMENT

The purpose of this item is to allow the public an opportunity to address the City Council on issues that are or are not on the agenda. No discussion can be carried out on the citizen/visitor comment about items not on the agenda. Comments are limited to three minutes per speaker.

4. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action regarding renewal of the Ground Lease Agreement with Livengood Feeds, Inc. for Lot 2 of the Ice House Addition for a five year period and directing the Mayor to execute the agreement if approved. 98-106
- B. Discussion and/or action regarding Ordinance 2023-10 of the City Council of the City of Lockhart, Texas establishing a special seniority pay for newly hired police officers with prior full-time paid law enforcement experience and setting forth criteria for the pay; providing for severability; providing for publication and providing an effective date. 107-111
- C. Discussion and/or action to consider Resolution 2023-07 amending City-owned hangar rental rates for seventeen (17) T-hangars and six (6) clear span hangars. 112-118
- D. Discussion and/or action to consider approval of a Master Services Agreement between the City of Lockhart and M & S Engineering, LLC for electric system capital projects. 119-142
- E. Discussion and/or action to adopt a policy for Public Improvement Districts. 143-156
- F. Discussion and/or action regarding Resolution 2023-08 to update the comprehensive schedule of fees for development-related applications and permits, including revised fees for existing applications, establishment of fee levels for new applications, providing a savings clause, to repeal conflicting ordinances or resolutions, and to provide for an effective date. 157-174
- G. Consideration and/or action regarding Resolution 2023-09 creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee Members. 175-178

5. CITY MANAGER'S REPORT, PRESENTATION AND POSSIBLE ACTION

- TxDOT public meeting concerning F.M. 2720 improvements.
- Annual Chisholm Trail Round Up will be held June 8 - 10.
- June 17th - Movie in the Park, The Super Mario Bros. Movie.
- Splash pad will be closed June 5-12 during Chisholm Trail Roundup events.
- Summer Teen Recreation Program and Syhawks Summer Camp start June 5.
- City pool scheduled to open June 14.
- Free swim day on June 17 in observance of the Juneteenth weekend.

6. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

7. ADJOURNMENT

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.

Posted on the bulletin board in the Municipal Building, 308 West San Antonio Street, Lockhart, Texas, on the 2nd day of June, 2023 at 2:00 p.m.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Presentation and update from Guadalupe-Blanco River Authority (GBRA) regarding the Carrizo Groundwater Supply Project (CGSP).

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Presentation by Guadalupe-Blanco River Authority regarding the progress of the Carrizo Groundwater Supply Project:

- Project overview
- Well field and transmission line update
- Water Treatment Plant
- Lockhart's delivery point update
- Booster station
- Construction scheduling

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Lockhart-GBRA CGSP Update (6-6-23)



Guadalupe-Blanco River Authority

Carrizo Groundwater Supply Project June 2023 Update



GBRA.ORG

Carrizo Water Supply Program Participants

GBRA Customers

New Braunfels Utilities (8k AF/yr)

City of Lockhart (3k AF/yr)

Goforth SUD (4k AF/yr)

TOTAL – 15k AF/yr uniform

ARWA Customers

San Marcos

Buda

Kyle

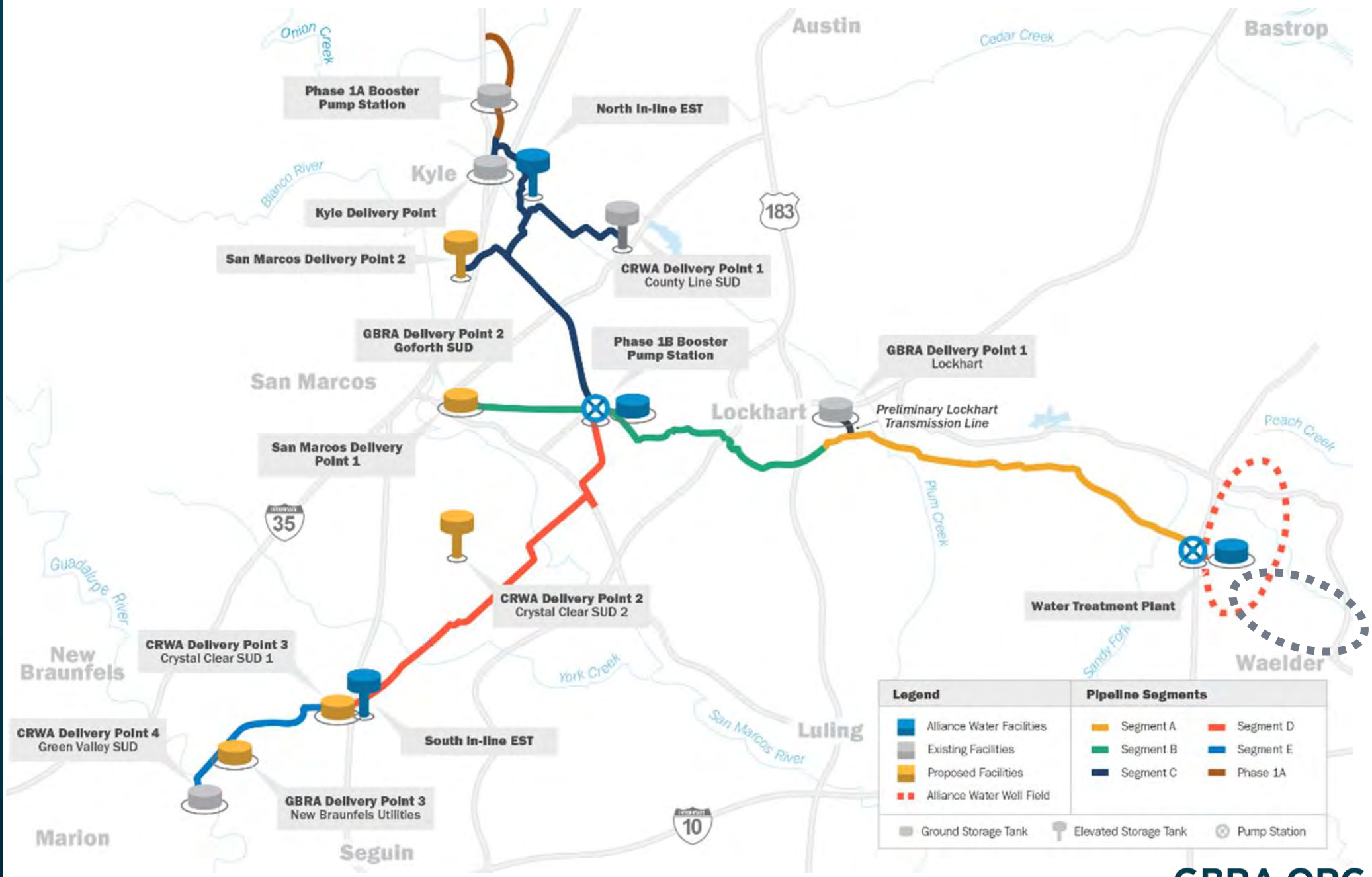
County Line SUD (CRWA)

Crystal Clear SUD (CRWA)

Green Valley SUD (CRWA)

TOTAL – 15k AF/yr w/ peaking

Carrizo Groundwater Supply Program Overview



CGSP Program Update

- GBRA Wells: Weisinger (Complete)
- GBRA Surface Facilities: SJ Louis
- WTP: Archer-Western
- Segment A: Garney
- BPS: MWH Contractors
- Segment B: Garney
- Segment D: SJ Louis
- Segment E: Garney
- SMWTP Improvements: Archer-Western
- Lockhart Tank: Champion Tank (Complete)
- Integration Pipelines: M5
- South In-Line Tank: Landmark



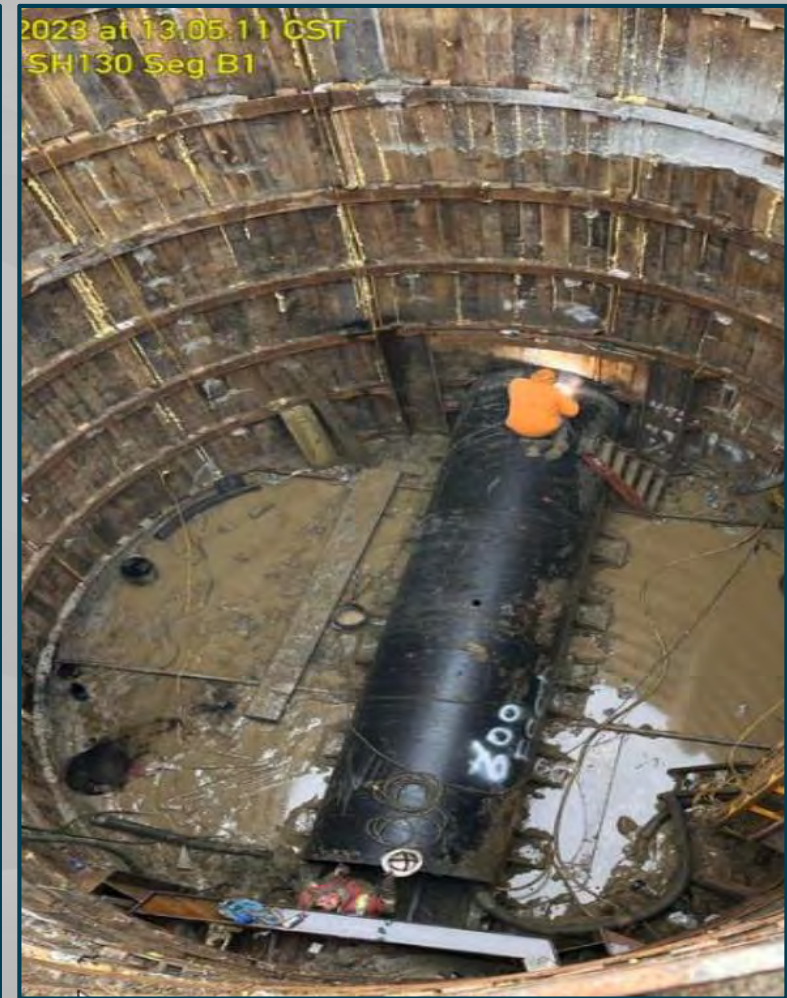
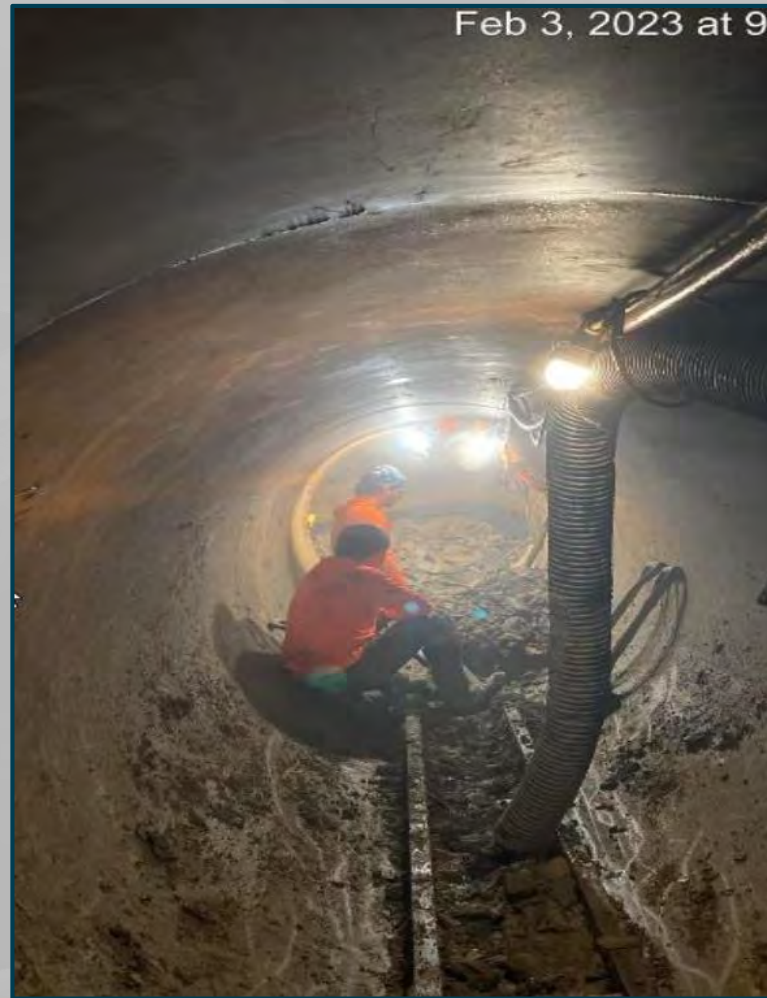
CGSP Update – Raw Water



Shared WTP Construction



CGSP Pipeline Tunneling



CGSP Lockhart Delivery Line



CGSP Pipeline Construction Status



Pipeline Segment	Length (mi)	% ROW Cleared	% Pipeline Installed	Tunnels Installed
GBRA Raw Water	5	100%	100%	3 of 3
Segment A	17	100%	87%	15 of 15
Segment B	16	100%	57%	23 of 25
Segment D	19	31%	11%	0 of 18
Segment E1	6	0%	0%	
Delivery Point Pipelines	1	100%	100%	1 of 1

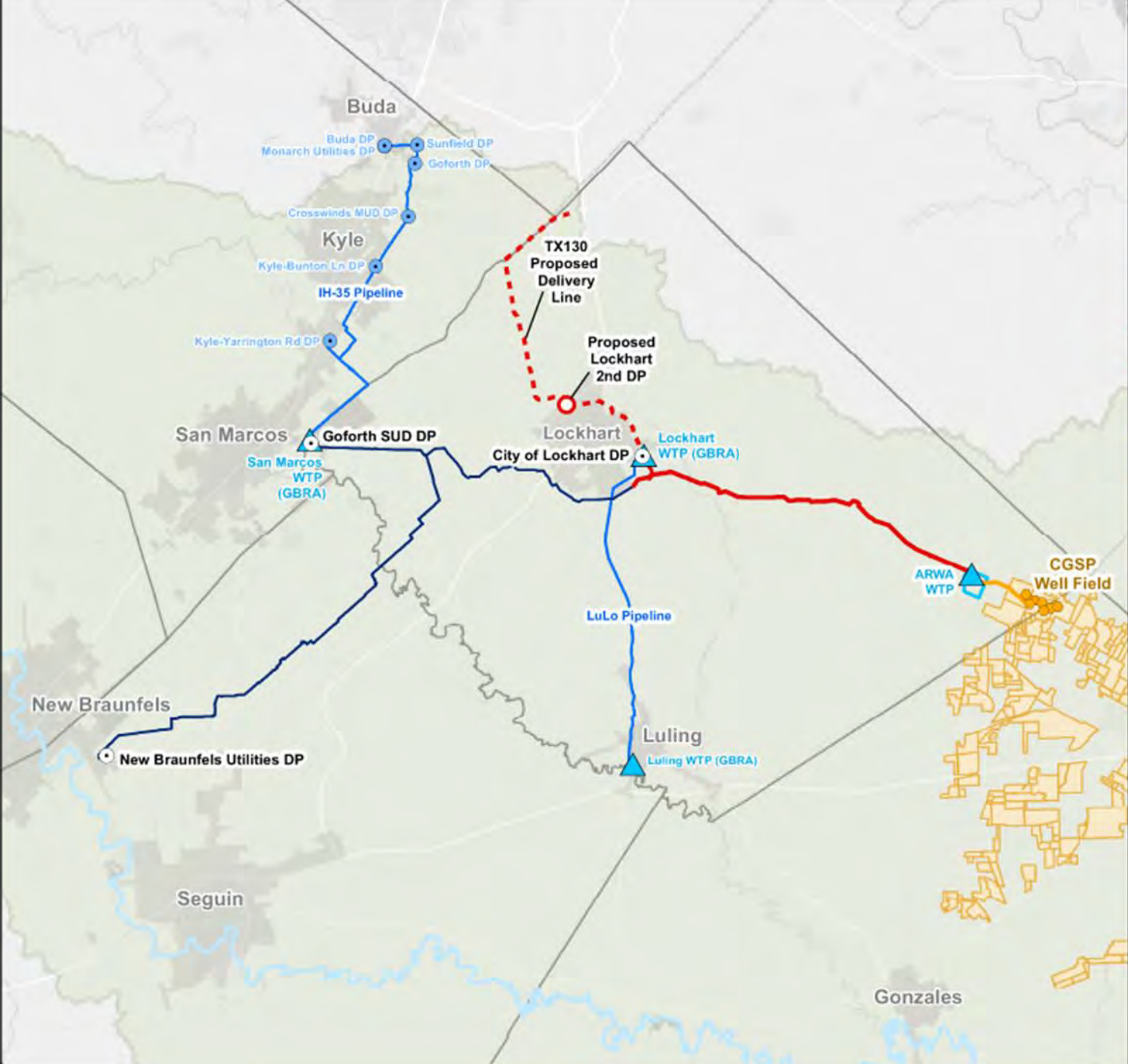
Schedule Update (As of 4/31/2023)

Project Component	Anticipated Start Date	Substantial Completion
Well Field	N/A	Completed
Raw Water	7/19/2021	6/19/2023 *
WTP	7/16/2021	9/3/2023
Segment A	11/17/2021	6/23/2023
Segment B	1/27/2022	9/17/2023
Maxwell BPS	10/25/2021	5/17/2023*
Segment D	12/1/2022	4/1/2024
Segment E1	1/15/2023	2/24/2024
Integration Facilities	2/24/2022	3/12/2023 *
SM HSPS	2/8/2022	2/28/2024
Inline Tanks	2/15/2023	5/21/2024

CGSP Update

- TCEQ Interconnect Permit (Corrosion Report)
 - San Marcos Approved (Goforth SUD)
 - Lockhart Approved
 - Upcoming: NBU
- GBRA Operations Contract

Carrizo Groundwater Supply Program TX-130 Expansion



Carrizo Groundwater Supply Project (CGSP)

- CGSP Wells
- CGSP Delivery Point (DP)
- Existing GBRA Delivery Point (DP)
- Water Treatment Plant
- TX130 Proposed Pipeline
- Segment A & Lockhart Delivery Line
- CGSP Shared Transmission Main
- CGSP Raw Water Collection Line
- GBRA Water Transmission Main
- ARWA WTP Site
- CGSP Lease
- Guadalupe River Watershed
- GBRA Statutory District



0 2 4 6 8 Miles

DISCLAIMER: The data contained in this map is not survey grade and is provided for informational and reference purposes only. GBRA makes no claim or guarantee for the accuracy or validity of the information presented herein.

Discussion

KEY CONTACTS

Darrell Nichols (GBRA)
General Manager
(830) 379-5822
dnichols@gbra.org

Sam Vaughn, P.E. (HDR)
Program Manager
(512) 912-5142
Sam.Vaughn@hdrinc.com

Brian Perkins, P.E. (GBRA)
Deputy Executive Manager of
Engineering
(830) 560-3983
bperkins@gbra.org

Peter Newell, P.E. (GBRA)
Engineering Director
(830) 560-3912
pnewell@gbra.org

Graham Moore, P.E. (ARWA)
Executive Director
(512) 294-3214
gmoore@alliancewater.org



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss renewal of the Ground Lease Agreement with Livengood Feeds, Inc. for Lot 2 of the Ice House Addition for a five year period and directing the Mayor to execute the agreement if approved.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Livengood Feeds, Inc. lease for Lot 2 of the Ice House Addition, located behind 110 North Brazos Street (City's Recycling Center) is expiring and Mr. Burt Livengood (tenant) has requested renewal of the ground lease agreement with the City. Livengood Feed uses the 2.228 acre site for overflow storage of trailers for his business located adjacent to the property. The renewal lease proposed is for five (5) years at \$2,315 per year, which included a 5.2% Customer Price Index increase over the \$2,200 received annually in the previous lease agreement. The proposed renewal follows the terms of the previous lease and includes an additional five-year renewal option and a six-month early termination notice is included in the lease.

Either party can, with or without cause, and with 6 months written notice, terminate the Agreement.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: April 17, 2012- Previous Ground Lease Agreement approved by City Council

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the lease as presented.

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Livengood Feeds lease renewal 0523, Livengood Feeds Ground Lease April 2012

RENEWAL AND EXTENSION OF GROUND LEASE

This Renewal and Extension of Ground Lease (“Agreement”) is by and between the City of Lockhart, Texas, as “Landlord” and Livengood Feeds, as “Tenant.”

Recitals

1. Landlord and Tenant entered into a Ground Lease dated April 17, 2012 with a term of five years and an option to extend for five years, which extension was exercised and which has now expired so that Tenant has been holding over on a month to month basis..
2. Landlord and Tenant desire to renew and extend the ground lease under the same terms as the original Ground Lease, except as modified herein.

Agreement

1. Landlord and Tenant agree that the terms of the Ground Lease dated April 17, 2012, attached hereto as Exhibit “A,” shall be renewed and extended by this Agreement, except as modified herein.
2. The term of this Agreement shall commence on the date of its execution and shall remain in effect for a term of five years, ending on April 16, 2028.
3. The Base Rent under this Agreement shall be \$2,315.00 per year, payable on or before April 17 of each year.
4. At the end of the term of this Agreement, the ground lease may be extended for an additional five-year term at the rate of \$2,435.00 per year.
5. All other terms of the original ground lease shall remain in effect for the term and any extension of this Agreement.

AGREED TO AND ACCEPTED on this, the ____ day of June, 2023.

Landlord: City of Lockhart, Texas

Lew White, Mayor

Attest:

Julie Bowerman, Interim City Secretary

Tenant: Livengood Feeds

Burt Livengood, President

Ground Lease

Terms

Date: April 18, 2012

Landlord: CITY OF LOCKHART, a MUNICIPAL CORPORATION

Landlord's Address:

CITY OF LOCKHART
P.O. Box 239,
Lockhart, Texas 78644

Tenant: Livengood Feeds, Inc.

Tenant's Address:

Livengood Feeds
PO Box 1080
Lockhart, TX 78644

Premises

All usable portions of Lot 2, Ice House Addition to the City of Lockhart, Texas

Base Rent (yearly): \$2,000.00 during the primary term. \$2,200 during the option term

Term (years): five (5) years, with one (1) five year renewal option, and termination option

Commencement Date: April 17, 2012

Termination Date: at twelve o'clock a.m. on April 16, 2017, or as herein provided.

Security Deposit: \$ NONE

Use: the parking of commercial vehicles owned and operated by Tenant

Amount of Liability Insurance

Death/bodily injury: \$1,000,000

Property: \$1,000,000

Definitions

"Rent" means Base Rent plus any other amounts of money due Landlord by Tenant.

"Landlord" means Landlord and its agents and employees.

"Tenant" means Tenant and its agents, employees, invitees, licensees, or visitors.

Clauses and Covenants

A. Tenant agrees to -

1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date, subject to early termination provision provided for both parties herein.

2. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for Tenant's intended Use.

3. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Premises, including the rules and regulations of the Premises adopted by Landlord.

4. Pay yearly, in advance, on the anniversary lease date the Base Rent to Landlord at Landlord's Address.

5. Pay, as additional Rent, all other amounts due under this lease.

6. Pay a late charge of 5 percent of any Rent not received by Landlord by the tenth day after the date in which it is due.

7. Allow Landlord to enter the Premises to perform Landlord's obligations, and to inspect the Premises.

8. Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, reasonable wear excepted.

9. Keep the service ways, and loading areas adjacent to the Premises clean and unobstructed.

10. Repair any damage to the Premises caused by Tenant.

11. Apply a permeable surface, properly compacted to Landlord's specifications, prior to the use of the premises for vehicular parking.

12. Maintain public liability insurance for the Premises

and the conduct of Tenant's business, naming Landlord as an additional insured, in the amounts stated in the lease.

13. Maintain insurance on Tenant's personal property.

14. Deliver certificates of insurance to Landlord before the Commencement Date and thereafter when requested.

15. Indemnify, defend, and hold Landlord harmless from any loss, attorney's fees, court and other costs, or claims arising out of use of the Premises.

16. Vacate the Premises on termination of this lease.

17. On request, execute an estoppel certificate that states the Commencement Date and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonably requested.

B. Tenant agrees not to -

1. Use the Premises for any purpose other than that stated in the lease or create a nuisance.

2. Damage power lines, poles, guy-wires or block access to City easements

3. Interfere with Landlord's management of the Premises.

4. Permit any waste.

5. Use the Premises in any way that is extra-hazardous, would increase insurance premiums, or would void insurance on the Premises.

6. Alter the Premises, except as herein provided.

7. Allow a lien to be placed on the Premises.

9. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

10. Place any signs on the Premises without Landlord's written consent.

C. Landlord agrees to -

1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.

2. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of

the Premises.

D. Landlord agrees not to -

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.

E. Landlord and Tenant agree to the following:

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at termination of this lease and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.

2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.

3. *Release of Claims/Subrogation.* Landlord and Tenant release each other from any claim, by subrogation or otherwise, for any damage to the Premises, or personal property within the Premises, by reason of fire or the elements, regardless of cause, including negligence of Landlord or Tenant. This release applies only to the extent that it is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.

4. *Notice to Insurance Companies.* Landlord and Tenant will notify the issuing insurance companies of the release set forth in the preceding paragraph and will have the insurance policies endorsed, if necessary, to prevent invalidation of the insurance coverage.

5. *Early Termination by Either Party.* Either party to this agreement can, with or without cause, and with six (6) months written notice, terminate this agreement. In the event of a termination by Landlord, Tenant's pro rata share of monies paid for the rental year shall be abated.

6. *Condemnation/Substantial or Partial Taking*

- a. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.
- b. Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

7. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within thirty

days after written notice.

8. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to, after default, to terminate this lease.

9. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent, (b) abandoning or vacating a substantial portion of the Premises, and (c) failing to comply within ten days after written notice with any provision of this lease.

10. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to (a) enter and take possession of the Premises, after which Landlord may relet the Premises on behalf of Tenant and receive the Rent directly by reason of the reletting, and Tenant agrees to reimburse Landlord for any expenditures made in order to relet; (b) enter the Premises and perform Tenant's obligations; and (c) terminate this lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

12. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by law. Landlord and Tenant have a duty to mitigate damages.

13. *Holdover.* If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term.

14. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filing a suit for damages.

15. *Attorney's Fees.* If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

16. *Venue.* Venue is in the county in which the Premises are located.

17. *Entire Agreement.* This lease, together with the attached exhibits and riders, is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in

writing in this lease.

18. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.

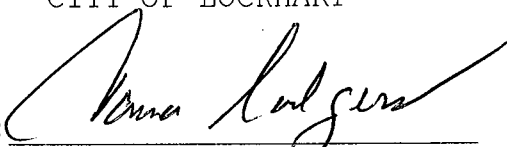
19. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

20. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

21. *Abandoned Property.* Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

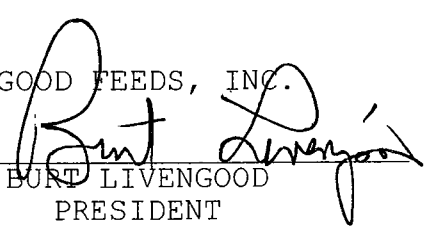
CITY OF LOCKHART

BY:


Vance Rodgers
CITY MANAGER

LIVENGOOD FEEDS, INC.

BY:


BURT LIVENGOOD
PRESIDENT

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss Ordinance 2023-10 of the City Council of the City of Lockhart, Texas establishing a special seniority pay for newly hired police officers with prior full-time paid law enforcement experience and setting forth criteria for the pay; providing for severability; providing for publication and providing an effective date.

ORIGINATING DEPARTMENT AND CONTACT: Police - Gary Williamson

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The police department is seeking approval of an ordinance allowing special seniority pay, also known as lateral entry pay, when recruiting experienced police officers. Lateral entry pay would allow the police department to start an officer with previous law enforcement experience at a higher rate of pay than basic entry pay reserved for an officer with no previous experience. Lateral entry pay does not alter the rank an applicant would start at, for example, police officer, sergeant, lieutenant. Newly hired applicants start at the rank of police officer, regardless of prior law enforcement experience. However, the lateral entry pay would authorize paying the officer at a higher rate on the police officer step pay plan.

Currently, law enforcement agencies around the country are experiencing unprecedented staffing vacancies. Lateral entry pay is a common recruitment tool used by cities across the state, including the cities of Kyle, San Marcos, New Braunfels, Seguin and Taylor as well as Hays County.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: ORD 2023-10 Police Lateral Entry Pay

ORDINANCE NO. 2023-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to explicate and supplement the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have the required years of continuous service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry

applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department.

c. Starting Pay:

- i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) years of paid, continuous full time service as a peace officer in a law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county.
- ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
- iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
- iv. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.

d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.

e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 6th DAY OF JUNE, 2023 .

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss Resolution 2023-07 amending City-owned hangar rental rates for seventeen (17) T-hangars and six (6) clear span hangars.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: In 2000, the City constructed seventeen T-hangars and six clear span hangars at the Lockhart Municipal Airport. Rates for the City-owned hangars were adopted in the year 2000 and amended in 2001 and 2005. Since the construction of the hangars, the cost to build and maintain hangars has increased significantly. Currently all hangars are occupied and there are approximately 75 individuals on the waiting list.

On May 23rd, the Lockhart Airport Advisory Board discussed the current rate structure for the hangars and compared the municipal airport's rates to several peer airports. During the board meeting, the Airport Advisory Board made a recommendation to raise the rates by \$100 per month in each category and simplify the rate structure by only having a month-to-month rate. This rate increase would increase revenues to \$102,900 annually, a \$27,600 increase. Revenues from the City-owned hangars are placed in the Airport Fund. This fund is used to fund the airport department, airport maintenance, capital projects, and can be used as local matches for grant projects.

The new rates, if approved, would become effective immediately. Current T-hanger occupants will be notified by mail during June 2023 of the increase which would be reflected in the July 2023 rental fee.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: September 20, 2005 - Last hangar rates adjustment

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION: The Airport Advisory Board unanimously recommend approval of the proposed hangar rental rates found in Resolution 2023-07.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of the amended hangar rates as presented.

LIST OF SUPPORTING DOCUMENTS: HANGER RATES RESOLUTION 2023-07, Hangar Rates 2023

RESOLUTION 2023-07

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART,
TEXAS, AMENDING RENTAL RATES FOR SEVENTEEN (17) TEE
AIRCRAFT HANGARS AND SIX (6) CLEAR SPAN AIRCRAFT HANGARS
RECENTLY CONSTRUCTED AT THE LOCKHART MUNICIPAL
AIRPORT**

WHEREAS, the City Council wishes to amend rental rates for City owned aircraft hangar rates located at the Lockhart Municipal Airport help meet the financial responsibilities of the airport;

WHEREAS, the City Council recognizes that aircraft hangar rental rates need to be adjusted to be comparable with other similar facilities within the area;

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

The City Council of the City of Lockhart, Texas, hereby sets new aircraft hangar rental rates for the current seventeen (17) tee hangers and six (6) clear span hangars as follows:

<u>Hangar Type</u>	<u>Rental Rate Type</u>	<u>Monthly Rate</u>
Tee-Hangar	Month to Month	\$ 350
Corner Tee-Hangar	Month to Month	\$ 375
Clear Span Hangar	Month to Month	\$ 425

PASSED, APPROVED, and ADOPTED this the _____ day of June 2023.

CITY OF LOCKHART

Lew White
Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon
Interim City Secretary

Monte Akers
City Attorney

CITY-OWNED HANGARS RATES

- The City owns 17 T-Hangars and 6 Clear-Span Hangars at the Lockhart Municipal Airport.
- The T- Hangars are 42' x 30' and the Clear-Span (Box) Hangars are 45' x 41'.
- The City-Owned Hangars were constructed in the year 2000. All debt has been paid off regarding the hangar construction.
- Hangar rates were adopted by Resolution in 2000. The last rate adjustment for the hangars was in 2005.
- Rental of the hangars includes electrical service, which is covered by the rental fee.
- There is currently an estimated 6-year waiting list for a City-Owned Hangar vacancy. Other Central-Texas municipal airports have similar waitlist.

RESOLUTION 05-14

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART,
TEXAS, AMENDING RENTAL RATES FOR SEVENTEEN (17) TEE
AIRCRAFT HANGERS AND SIX (6) CLEAR SPAN AIRCRAFT HANGERS
AT THE LOCKHART MUNICIPAL AIRPORT**

WHEREAS, the City Council has provided funding to construct seventeen (17) aircraft tee-hangers and six (6) aircraft clear span hangers;

WHEREAS, the City Council approved financing of the construction of these newly constructed aircraft hangers;

WHEREAS, aircraft rental rates have not be adjusted since 2001; and

WHEREAS, the City Council wishes to set new rental rates for these aircraft hangers to help meet finance payment requirements;

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

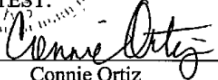
The City Council of the City of Lockhart, Texas, hereby sets aircraft hanger rental rates for the current seventeen (17) tee hangers and six (6) clear span hangers as follows:

<u>Hanger Type</u>	<u>Rental Rate Type</u>	<u>Monthly Rate</u>	<u>Daily Rate</u>
Tee-Hanger	Month to Month	\$ 250	\$ 10
	One Year	\$ 225	\$ 10
	Two Years	\$ 200	\$ 10
Corner Tee- Hanger	Month to Month	\$ 275	\$ 10
	One Year	\$ 250	\$ 10
	Two Years	\$ 225	\$ 10
Clear Span Hanger	Month to Month	\$ 325	\$ 15
	One Year	\$ 300	\$ 15
	Two Years	\$ 275	\$ 15

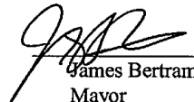
New rates to be effective as current lease contracts allow.

PASSED, APPROVED, and ADOPTED this the 20 day of September , 2005.

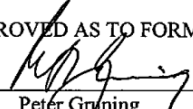


ATTEST:

Connie Ortiz
City Secretary

CITY OF LOCKHART


James Bertram
Mayor

APPROVED AS TO FORM:


Peter Gruning
City Attorney

2023 CITY-OWNED HANGAR PRICE COMPARISON

Municipality/County	Monthly Rates
LOCKHART	<u>\$250 / \$325</u>
SMITHVILLE	<u>\$375</u>
MCGREGOR	<u>\$150 / \$295 –Currently in the process of conducting a rate comparison</u>
GEORGETOWN	<u>\$325 / \$925</u>
BURNET	<u>\$275</u>
LAMPASAS	<u>\$125 / \$200</u>
BOERNE	<u>\$295 / \$695</u>
SAN MARCOS	<u>\$300 / \$350</u>
TAYLOR	<u>\$184 / \$518 –Prices increased on 5/1/2023; lower cost hangars are old and do not have electric doors.</u>
LA GRANGE	<u>\$275 / \$600 -Prices increased on 1/1/2023</u>
GONZALES	<u>\$175 / \$300</u>

HANGAR RATE REVENUE PRICE COMPARISON (BOARD RECOMMENDATIONS)

Lockhart Municipal Airport	Hangar Rate(s)	Monthly/Annual Collected
Current Rates	\$250 / \$275 / \$325	\$6,275 / \$75,300
Recommended Rates	\$350 / \$375 / \$425	\$8,575 / \$102,900

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss a Master Services Agreement between the City of Lockhart and M & S Engineering, LLC for electric system capital projects.

ORIGINATING DEPARTMENT AND CONTACT: Electric - Bobby Leos

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The City's electric utility is a municipally owned and operated retail distribution system since 1928. The service area is approximately 8 square miles with approximately 79 miles of overhead and underground distribution lines.

Historically, LCRA is engaged every 5 years to prepare a system analysis to guide the development of the distribution system and prepare a 5 year schedule to correct anticipated problems. Twelve (12) projects are identified in FY 23-27 with an estimated cost of approximately \$2 million. The actual projected costs are determined after project design.

Additionally, LCRA now no longer makes available to the customer cities project design services. Consequently, it benefits Lockhart to add another power utility engineering firm to assist us in planning for growth and meeting the anticipated design schedules for capital improvements.

M & S Engineering is a multi-service utility engineering firm headquartered in Spring Branch, Texas with 7 offices in Texas. M & S has a solid reputation in serving municipal owned utilities (MOU's) and electric cooperatives in Texas.

PROJECT SCHEDULE (if applicable): If approved, M & S will design 2 system rehab projects: 5 A - Willlow Street (between Blanco and Pecos) and 5 B - Pecos Street (from China to Ash).

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Electric Superintendent recommends approval of Master Service Agreement with M & S.

LIST OF SUPPORTING DOCUMENTS: M & S Master Services Agreement, M&S Engineering

M&S ENGINEERING, LLC

MASTER SERVICES AGREEMENT BETWEEN OWNER AND ENGINEER

This Master Services Agreement Between Owner and Engineer (the “Agreement”), effective the ____ day of _____ 202__ (“Effective Date”) is entered into by and between M&S Engineering, LLC (“Engineer” or “M&S”) and City of Lockhart (“City” or “Owner”). M&S and Owner shall collectively be referred to herein as the “Parties.”

WHEREAS, Owner desires M&S to provide engineering services on an as needed and ongoing basis, and may, but is not obligated to, request M&S to provide engineering services (“Services”) during the term of this Agreement;

WHEREAS, M&S is willing to provide Services to Owner and agrees to consider each opportunity to perform Services requested by Owner;

WHEREAS, if M&S agrees to perform the Services requested by Owner, the rights and obligations of the Parties with respect to each “Project” shall be governed by this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. CONTRACT DOCUMENTS:

- A. The following items are deemed to be “**Contract Documents**” and are incorporated by reference into this Agreement:
 - 1. This Agreement including all Annexes and Exhibits hereto;
 - 2. Exhibit A, Rate Sheet; and
 - 3. Exhibit B, Insurance.
- B. In the event of a conflict between the provisions of this Agreement and the exhibits, the provisions contained in the exhibits shall control.

2. DEFINITIONS:

- A. Contractor—Any person or entity (not including the Engineer, its employees, agents, representatives, subcontractors, and subconsultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

3. GENERAL AGREEMENT:

- A. Once Engineer has accepted a request to perform Services for a Project, Engineer shall provide the Services specified by Owner. The Services may be described or specified in the form of a written proposal, a purchase order, an electronic request by

email or text message, or orally. Owner shall pay Engineer for its Services as set forth below.

- B. M&S shall complete the Services within the time period agreed upon between the Parties. If no specific time for completion is agreed upon, Engineer shall complete the Services within a reasonable time. If Owner seeks to change such periods of time or dates, or through no fault of Engineer the orderly and continuous progress of Engineer's performance of the Services is delayed, impaired or suspended for any reason, then the time for completion of the Services and the rates and amounts of Engineer's compensation shall increase according to the applicable rate schedules in Exhibit "A", as estimated in writing by M&S and as approved by Owner, which approval shall not be unreasonably withheld.

4. OWNER'S RESPONSIBILITIES:

- A. Owner shall provide Engineer with existing Project-related information and data in Owner's possession and needed by Engineer for performance of Engineer's Services. Owner will advise Engineer of Project-related information and data known to Owner but not in Owner's possession. Engineer may use and rely upon Owner-furnished information and data in performing its Services, subject to any express limitations applicable to the furnished items. Following Engineer's assessment of initially-available Project information and data, and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information and data as additional Services for which M&S shall be compensated in accordance with the Rate Sheet, attached as Exhibit A.
- B. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance. Owner shall give prompt notice to Engineer whenever Owner observes or otherwise becomes aware of (1) any relevant, material defect or nonconformance in Engineer's Services, or (2) any development that affects the scope or time of performance of Engineer's Services.

5. INVOICES AND PAYMENTS:

- A. M&S shall prepare and submit invoices to Owner in accordance with its standard invoicing practices either on a monthly basis in accordance with the Rate Sheet or pursuant to a lump sum fee proposal. Invoices are due and payable within 30 days of receipt. If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only the disputed amount, and must pay the undisputed portion.
- B. Failure to Pay: If Owner fails to make any payment due Engineer within 30 days after receipt of Engineer's invoice (the "Due Date"), Owner shall owe interest on the past due amount at the rate of 1.0% per month (or the maximum rate of interest permitted

by law, if less) commencing on the Due Date. In addition, Engineer may suspend Services under this Agreement until Engineer has been paid in full all amounts due, including interest, and in such case, Owner waives any and all claims against Engineer for any such suspension. If any payment due Engineer remains unpaid after forty-five (45) days, Engineer may terminate the Agreement for cause pursuant to Paragraph 6(A).

- C. Reimbursable Expenses: Engineer is entitled to reimbursement of expenses in accordance with the Rate Sheet.

6. TERMINATION:

A. Termination for Cause.

1. Either Party may terminate the Agreement for cause upon 30 days written notice of default ("Termination Notice") that identifies the nature of the default. This Agreement will not terminate if the Party receiving the Termination Notice begins, within seven (7) days of receipt of the Termination Notice, to cure the default and completes the cure within no more than thirty (30) days of receipt of the Termination Notice.
2. Engineer may immediately terminate this Agreement for cause: (a) if Owner demands that Engineer furnish or perform Services contrary to Engineer's responsibilities as a licensed professional; (b) if Engineer's Services for the Project are delayed or suspended for more than ninety (90) days for reasons beyond Engineer's control; (c) if payment due Engineer remains unpaid for forty five (45) days; or (d) as the result of the presence at the Project site of undisclosed environmental hazards.
3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.

- B. Termination for Convenience: Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.

- C. Payments Upon Termination: In the event of a termination by either Party, Engineer will be entitled to invoice Owner and to receive full payment for all Services performed or furnished in accordance with this Agreement, and to reimbursement of expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of all deliverable Project documents, whether complete or not, subject to the provisions of Paragraph 9(F), at Owner's sole risk.

1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's limited right to use of the deliverable documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.

7. INDEMNIFICATION, MUTUAL WAIVER AND LIMITATION OF LIABILITY:

- A. INDEMNIFICATION BY ENGINEER: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, ENGINEER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS OWNER, AND OWNER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES, FROM LOSSES, DAMAGES, AND JUDGMENTS ARISING FROM THIRD-PARTY CLAIMS OR ACTIONS RELATING TO THE PROJECT, PROVIDED THAT ANY SUCH CLAIM, ACTION, LOSS, DAMAGES, OR JUDGMENT IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE, OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING THE LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT CAUSED BY ANY NEGLIGENT ACT OR OMISSION OF ENGINEER OR ENGINEER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, OR ENGINEER'S SUBCONTRACTORS. THE MAXIMUM AMOUNT OF INDEMNIFIABLE LOSSES WHICH MAY BE RECOVERED BY OWNER FROM ENGINEER UNDER THIS SECTION 7(A) SHALL NOT EXCEED THE GREATER OF: (1) THE TOTAL AMOUNT OF COMPENSATION RECEIVED BY ENGINEER PURSUANT TO THIS AGREEMENT FOR THE PROJECT AND (2) THE AMOUNT COVERED BY INSURANCE PROVIDED BY ENGINEER.**
- B. INDEMNIFICATION BY OWNER: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, OWNER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ENGINEER, AND ENGINEER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES, FROM LOSSES, DAMAGES, AND JUDGMENTS ARISING FROM THIRD-PARTY CLAIMS OR ACTIONS RELATING TO THE PROJECT, PROVIDED THAT ANY SUCH CLAIM, ACTION, LOSS, DAMAGES, OR JUDGMENT IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE, OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING THE LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT CAUSED BY ANY NEGLIGENT ACT OR OMISSION OF OWNER OR OWNER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, OR ENGINEER'S SUBCONTRACTORS.**
- C. ENVIRONMENTAL INDEMNIFICATION: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, OWNER SHALL INDEMNIFY AND HOLD HARMLESS ENGINEER, ITS SUBCONSULTANTS, ENGINEER'S SUBCONTRACTORS, AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS,**

EMPLOYEES, AND SUBCONSULTANTS FROM ALL CLAIMS, COSTS, LOSSES, DAMAGES, ACTIONS, AND JUDGMENTS (INCLUDING REASONABLE CONSULTANTS' AND ATTORNEY'S FEES AND EXPENSES) CAUSED BY, ARISING OUT OF, RELATING TO, OR RESULTING FROM ANY ENVIRONMENTAL CONDITION AT, ON, OR UNDER THE SITE.

- D. WAIVER OF DAMAGES; LIMITATION OF LIABILITY: TO THE FULLEST EXTENT PERMITTED BY LAW, OWNER AND ENGINEER (1) WAIVE AGAINST EACH OTHER, AND THE OTHER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, AND INSURERS, ANY AND ALL CLAIMS FOR OR ENTITLEMENT TO SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ARISING OUT OF, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY PROJECT, FROM ANY CAUSE OR CAUSES, AND AGREE THAT ENGINEER'S TOTAL LIABILITY TO OWNER UNDER THIS AGREEMENT SHALL NOT EXCEED THE GREATER OF: (1) THE TOTAL AMOUNT OF COMPENSATION RECEIVED BY ENGINEER PURSUANT TO THIS AGREEMENT FOR THE PROJECT AND (2) THE AMOUNT COVERED BY INSURANCE PROVIDED BY ENGINEER.**

8. INSURANCE:

- A. Engineer shall procure and maintain insurance as set forth in Exhibit B.
- B. Additional Insureds: Engineer's commercial general liability, automobile liability, and umbrella or excess liability policies, must:
1. include and list as additional insureds Owner, and any individuals or entities identified as additional insureds in Exhibit B;
 2. include coverage for the respective officers, directors, members, partners, and employees of all such additional insureds;
 3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations); and
 4. not seek contribution from insurance maintained by the additional insured.
- C. Owner shall procure and maintain insurance as set forth in Exhibit B.
- D. Owner shall require Contractors to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractors to cause Engineer, its Subconsultants, and Engineer's Subcontractors to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractors for the Project. Owner shall give Engineer access to any certificates of insurance and copies of endorsements and policies obtained by Owner from Contractors.

- E. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit B. Such certificates must be furnished prior to commencement of Engineer's Services and at renewals thereafter during the life of the Agreement.
- F. All construction contracts entered into by Owner with respect to the Project must require builder's risk or similar property insurance.
- G. All policies of property insurance relating to the Project, including but not limited to any builder's risk or similar policy, must provide for waiver of subrogation rights and contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insured thereunder or against Engineer, its Subconsultants, or Engineer's Subcontractors. Owner and Engineer waive all rights against each other, Contractor, Engineer's Subcontractors and Subconsultants, and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by any such builder's risk or similar policy and any other property insurance relating to the Project. Owner and Engineer shall take appropriate measures in other Project-related contracts to secure waivers of rights consistent with those set forth in this paragraph.
- H. All policies of insurance must contain a provision or endorsement that the coverage afforded will not be canceled, and that renewal will not be refused, until at least 10 days' prior written notice has been given to the primary insured. Upon receipt of such notice, the primary insured must promptly forward a copy of the notice to the other Party to this Agreement and replace the coverage being cancelled or reduced to conform to the requirements of this Agreement.
- I. At any time, Owner may request that Engineer, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit B. If so requested by Owner, and if commercially available, Engineer shall obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit B will be supplemented to incorporate these requirements.

9. GENERAL CONSIDERATIONS:

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the profession practicing under similar circumstances at the same time and in the same locality. **Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer.** Subject to the foregoing standard of care, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any of Owner's Contractors' work, nor will Engineer have authority over or be

responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Contractor, or their safety precautions and programs, for security or safety at the Project site, nor for any failure of a Contractor to comply with laws and regulations applicable to their work. Engineer shall not be responsible for the acts or omissions of Owner or its Contractors.

- C. Engineer neither guarantees the performance of any of Owner's Contractors nor assumes responsibility for any failure to furnish and perform their work.
- D. Engineer's opinions of probable construction cost (if any) will be based on Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Engineer grants Owner a limited license to use the deliverable documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and any additional services relating to preparation of the deliverable documents, and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. Any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and subconsultants;
 - 3. **OWNER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ENGINEER AND ITS OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, AND SUBCONSULTANTS FROM ALL CLAIMS, DAMAGES, LOSSES, AND EXPENSES, INCLUDING ATTORNEYS' FEES, ARISING OUT OF OR RESULTING FROM ANY USE, REUSE, OR MODIFICATION OF THE DOCUMENTS WITHOUT**

**WRITTEN VERIFICATION, COMPLETION, OR ADAPTATION BY
ENGINEER; and**

4. Such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer agree to transmit, and accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. The Parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed environmental hazards. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed environmental hazard, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- I. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute will be mediated by a third-party neutral selected jointly by the Parties. If mediation is unsuccessful, then the Parties may exercise their rights at law.
- J. This Agreement is to be governed by the laws of the state of Texas. The exclusive venue for all claims arising out of this Agreement or in any way related to the Services shall be in the state district courts of Caldwell County, Texas.
- K. Engineer's Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

10. GENERAL PROVISIONS:

- A. A waiver by either Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach thereof. All remedies, rights, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either Party.
- B. Neither Party may assign its rights hereunder in whole or in part without the prior written consent of the other, which consent will not be unreasonably withheld.

- C. Unless otherwise specified, all notices required to be given hereunder shall be given in writing, either by delivery, by registered mail, or by electronic mail (email) with confirmation of receipt:

If to Owner:

If to Engineer:

M&S Engineering, LLC
P. O. Box 970
6477 FM 311
Spring Branch, TX 78070
Attn: Jason Jones
jjones@msenengr.com

or such other address as may be hereafter designated in writing by either Party. Notice given by registered mail or delivery shall be deemed given on the date of confirmed receipt; notice given by electronic mail shall be deemed given upon confirmed receipt of such mail.

11. SUCCESSORS, ASSIGNS, AND BENEFICIARIES:

A. Successors and Assigns.

1. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by this Section 11, the assigns of Owner and Engineer) are hereby bound to the other Party to this Agreement and to the successors, executors, administrators, and legal representatives and permitted assignees of such other Party, in respect of all covenants, agreements, and obligations of this Agreement.
2. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other Party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
3. Beneficiaries: Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Contractor, other third-party individual or entity, or to any surety

for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

12. TOTAL AGREEMENT:

- A. This Agreement (including any expressly incorporated attachments) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date when signed.

Owner:

CITY OF LOCKHART

(name of organization)

By: _____

Date: _____

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Engineer:

M&S ENGINEERING, LLC

By: _____

Date: _____

Name: Kyle Dicke

Title: Business Development

Exhibit A

RATE SHEET

2023 Engineering Rate Schedule

The following rate schedule is in effect for the 2022 calendar year and will be reviewed annually for appropriate changes as may be required.

Labor Classification	Base Rate
Technician I	\$ 65.00
Technician II	\$ 70.00
Technician III	\$ 75.00
Technician IV	\$ 80.00
Project Technician I	\$ 85.00
Project Technician II	\$95.00
Project Technician III	\$100.00
Project Technician IV	\$105.00
Project Technician V	\$110.00
Senior Technician I	\$ 115.00
Senior Technician II	\$ 120.00
Senior Technician III	\$ 125.00
Senior Technician IV	\$ 130.00
Project Manager I	\$ 165.00
Project Manager II	\$ 175.00
Project Manager III	\$ 185.00
Project Manager IV	\$ 200.00
Project Manager V	\$ 215.00
Project Engineer I	\$ 150.00
Project Engineer II	\$ 160.00
Project Engineer III	\$ 165.00
Project Engineer IV	\$ 170.00
Project Engineer V	\$ 175.00
Administrative I	\$ 70.00
Administrative II	\$ 80.00
Administrative III	\$ 90.00

Labor Classification	Base Rate
Technical Specialist I	\$ 135.00
Technical Specialist II	\$ 145.00
Technical Specialist III	\$ 160.00
Technical Specialist IV	\$ 170.00
Graduate Engineer/SIT I	\$ 110.00
Graduate Engineer/SIT II	\$ 120.00
Graduate Engineer/SIT III	\$ 130.00
Graduate Engineer/SIT IV	\$ 140.00
CAD Operator I	\$ 75.00
CAD Operator II	\$ 85.00
Senior CAD Operator I	\$ 90.00
Senior CAD Operator II	\$ 100.00
Senior Engineer I/RPLS I	\$ 180.00
Senior Engineer II/RPLS II	\$ 185.00
Senior Engineer III/RPLS III	\$ 190.00
Senior Engineer IV/RPLS IV	\$ 195.00
Senior Engineer V/RPLS V	\$ 200.00
Principal Engineer I	\$ 210.00
Principal Engineer II	\$ 220.00
Principal Engineer III	\$ 225.00
1 Man Survey Crew	\$ 125.00
2 Man Survey Crew	\$ 175.00
3 Man Survey Crew	\$ 195.00
Software Level I ¹	\$ 10.00
Software Level II ²	\$ 20.00

¹ Includes AutoCAD, MicroStation, L-Pile, SAG10 and other common licensed software packages,

² Includes PLS-CADD, Bentley Systems, e-tap and other premium licensed software packages,

³ Rates are inclusive of all surveying equipment, including stakes, marking paints, and other consumable items required. Special request items such as T-posts, 36" Laths, concrete monuments, etc. will be billed on a cost plus 15% basis.

⁴ Overtime Rates shall be 1.35 times the base rate.

2023 Reimbursable & Miscellaneous Pricing

The following reimbursable schedule is in effect for the 2023 calendar year and will be reviewed annually for appropriate changes as may be required.

Deliverable/Printing Pricing Schedule

DESCRIPTION	COST
Small job books (1"to 1 1/2" binder)	\$25.00
Medium job books (2" to 2 1/2 " binder)	\$45.00
Large job books (3" and above binder)	\$65.00
Plots - "C" size (18x 24) Black & White	\$1.50
Plots - "C" size (18x 24) Color	\$2.50
Plots - "D" size (22X34) Black & White	\$2.50
Plots - "D" size (22X34) Color	\$3.50

*Any additional reimbursable items shall be billed at cost plus 15%.

- Shipping
 - All shipping of drawings, job books, and other deliverables will be invoiced based on actual cost plus 15%.

Additional Equipment

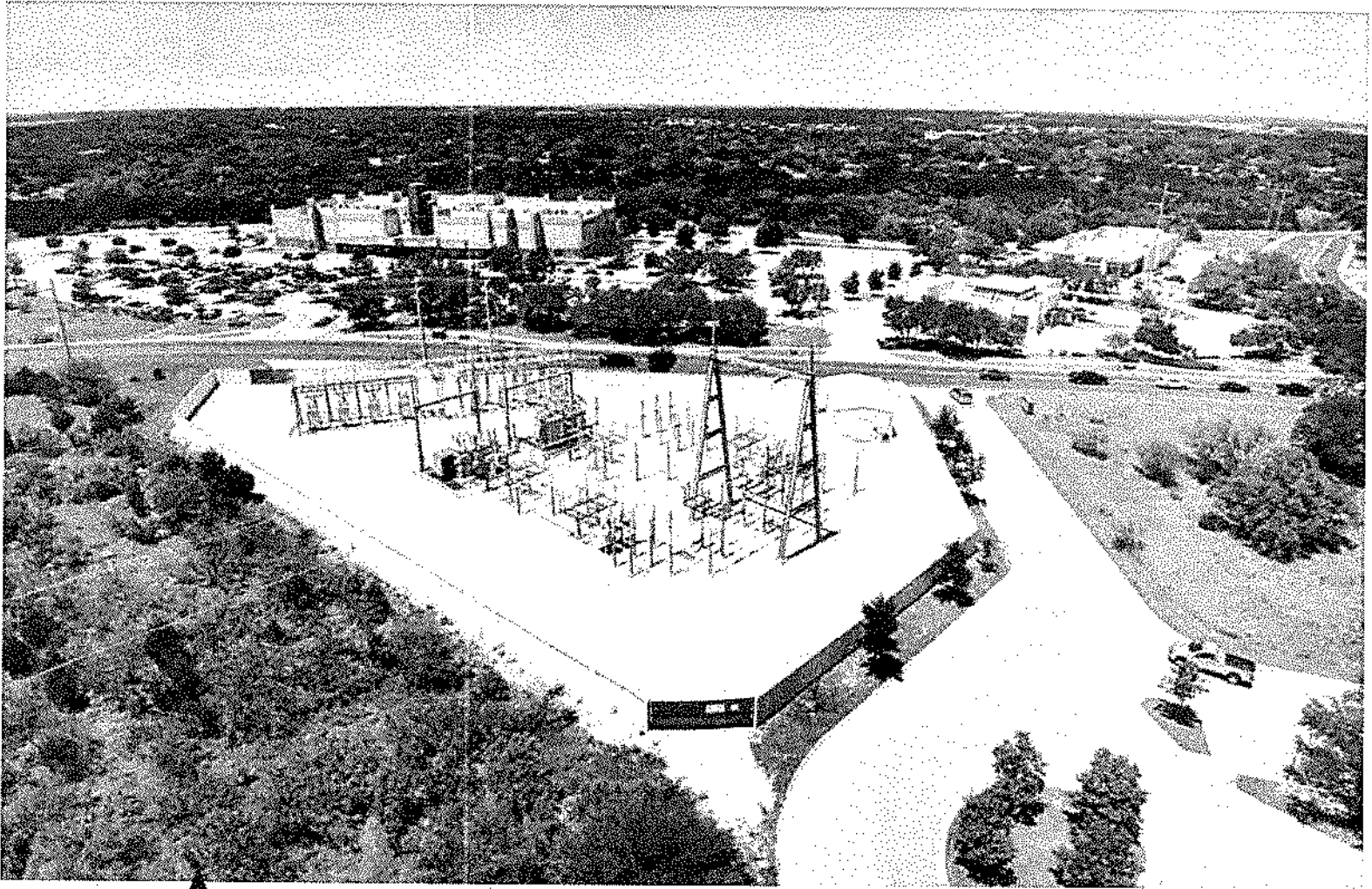
For site specific requirements that do not allow for access via 4x4 trucks, M&S will provide use of various all-terrain vehicles to facilitate field work. Reimbursement for usage of such equipment will be billed at the following rates:

Equipment	Rate
4 Wheeler	\$100/day
Utility Vehicle (Mule)	\$150/day
LiDAR Drone	\$750/day

Travel Reimbursement Rates

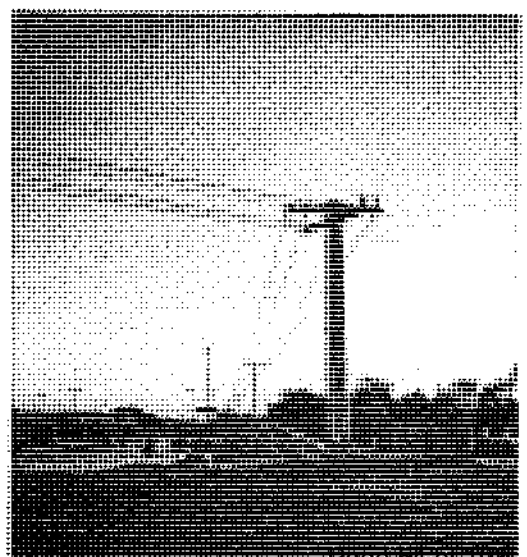
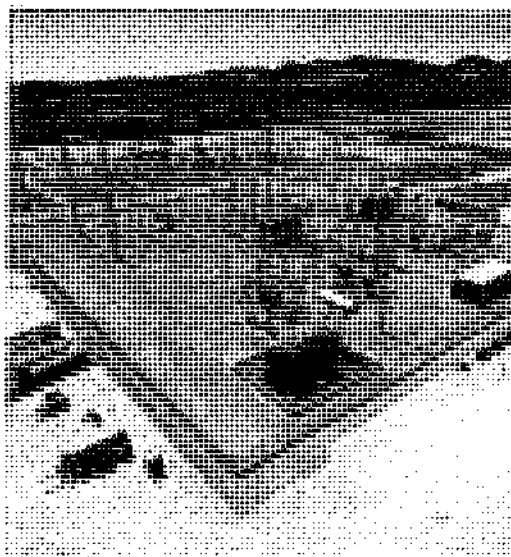
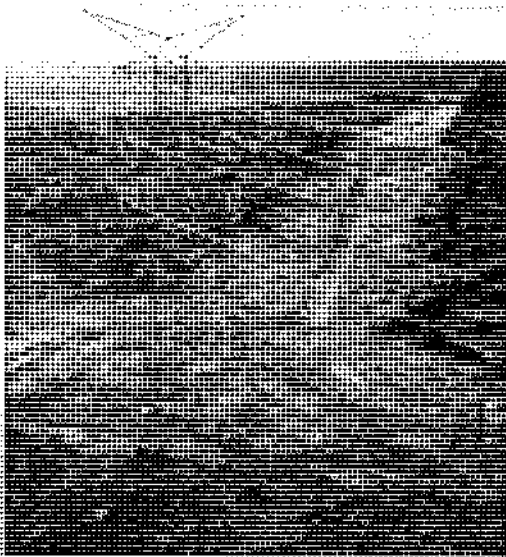
- Hotel charges for overnight accommodations will be invoiced based upon actual cost plus 15%.
- Meals for traveling personnel will be invoiced based upon actual cost plus 15%.
- Air Travel
 - Air travel will be invoiced based on actual cost plus 15%.
 - Approval
 - Air travel costs in excess of \$500 per individual will require prior approval by client personnel requesting travel.
 - Air travel less than \$500 per individual will be considered pre-approved by client personnel requesting travel.
- Rental Car
 - Auto rentals (including fuel) will be invoiced based upon actual cost plus 15%.
- Mileage
 - Vehicle mileage will be invoiced based upon current IRS standard rates (plus \$0.05 per mile for 4x4 vehicles)

Exhibit B
INSURANCE



M&S ENGINEERING

QUALITY. EXPERIENCE. RESPONSIVE.



WHAT TO EXPECT FROM US



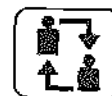
RESPONSIVENESS

We try to operate as if we are in your office, down the hall. We drop what we are doing and take phone calls.



PRACTICAL

We take pride in delivering "do what makes sense" solutions that get the job done within the available budget.



COMMUNICATION

We ask questions and listen. We respond clearly and in a concise manner so there is no confusion.



QUALITY

We want our clients to be as proud of our work as we are.



TRUST

We offer personal and professional integrity, reliability, and confidence.



SCHEDULES

We treat schedules as if they were "etched in stone".



SCRUTINY

We anticipate questions and debate the pros and cons before taking a clear path on an issue so our solution can stand up to public scrutiny.



APPROACHABLE

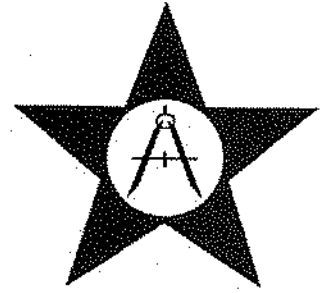
Candid communication helps us and our clients to reach understandings quickly and makes working together more enjoyable.



ADAPTABLE

It is our job to learn the nuances of each client and adapt, to get things done. We adapt to you, not the other way around.





Thank you for your interest in M&S Engineering; we appreciate the opportunity to assist with the engineering services needed for your upcoming projects. M&S Engineering is a multi-discipline engineering company that primarily provides distribution, transmission, and substation design. We offer many services and look forward to beginning a relationship to support your needs, in which ever path is most beneficial to you and your teams.

M&S has extensive experience in providing electric engineering services and could benefit your project teams by providing services in the areas of planning, system studies, and electrical design for distribution systems, transmission lines, and substations. In addition to providing engineering and planning services, we also offer topographical, boundary and right-of-way surveying and construction staking needs.

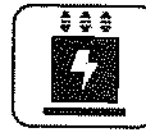
Enclosed you will find a brief overview of our company, our culture, abilities, and information on related projects which showcase our capabilities and experience with electrical engineering design and other applicable projects.



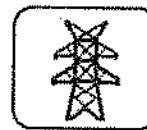
MULTI-SERVICE FIRM

M&S Engineering is a multi-service utility engineering firm with in-house expertise for the electric utility market. The primary focus for our business is (and has always been) the electric utility market and today more than **80 percent of our workload comes from utility clients.**

- Established in 1999
- Privately Held
- Headquartered in Spring Branch, Texas
- 7 offices in Texas
- Average Industry Experience 7.2 Yrs
- 280 Professionals
 - 16 Professional Engineers
 - 18 E.I.T.
 - 3 R.P.L.S.
 - 2 P.M.P.
 - 2 S.I.T.
- Average Tenure at M&S 4.1 Yrs



SUBSTATION



TRANSMISSION



DISTRIBUTION



WATER SYSTEM
ENGINEERING



M.E.P.
ENGINEERING



SURVEYING /
S.U.E.



EXPERIENCED & RESPONSIVE

M&S has a proven track record of efficient, quality execution of transmission line, and substation projects. Our experience with a variety of utility customers has led to a genuine understanding of the demands and service levels that are included in these relationships. **From planning to development, retrofit to "greenfield" our design team has the experience and the in-house capabilities to support your system's needs.**

M&S Engineering's design teams have also supported numerous EPC project teams in the utility and renewable power markets. These combined experiences have given us a unique understanding of best-practices, efficiency in design and constructibility insights. Through these efforts our design teams have become proficient at completing projects on time and under budget, often steering our clients to new cost saving measures.

FOCUSED ON RELATIONSHIPS

Our priority is to provide quality engineering services to our clients without the high cost or hassle that typically come from other firms. We take great care in understanding every client's unique culture and distinct set of needs in order to establish relaxed, comfortable, and approachable working relationships that result in **improved communication, better coordination, higher efficiencies and greater overall value.**



FLEXIBILITY & EFFICIENCY

The strength of the M&S team is in our flexibility and responsiveness. M&S has a proven track record of efficient, quality execution over a wide range of projects for both private and public sector entities. M&S's approach involves preparation of well thought out work plans, effective communication to the project team and stakeholders, efficient execution, and adaptation to meet the client's goal.



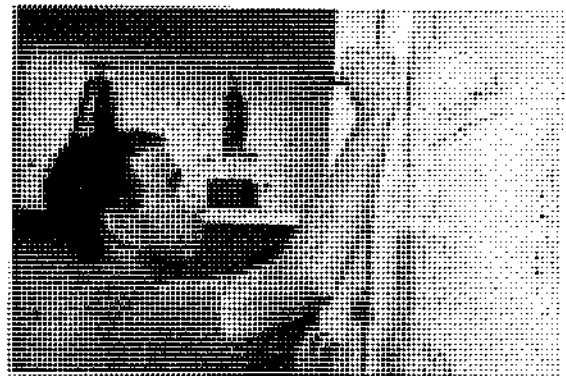
HANDS-ON EXPERTISE

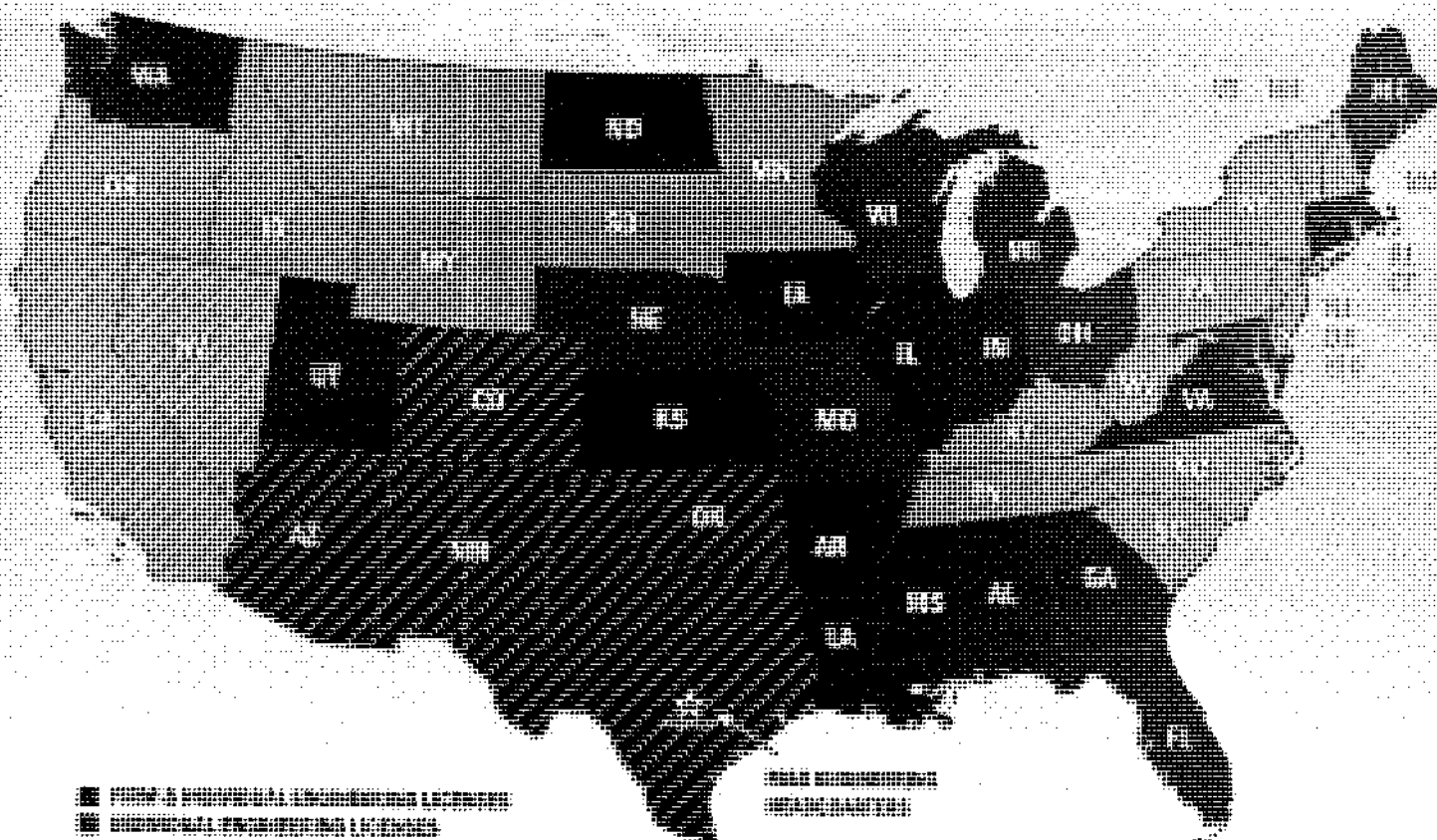
Technical ability and engineering skills are important to the success of any project, however, the execution, administration, and communication used to deliver the finished project are just as important, if not more. Our teams rely on their extensive experience with capital projects and truly understand that any delay or cost over-run in one portion of the project can have an enormous ripple effect and negatively impact overall success. To eliminate this, the M&S design team hand-picks staff who are well versed in both the details of the task at hand and the intangible understanding of the project beyond the pure design roles.

Project teams are made up of design engineers and technicians who are classically trained and licensed, as well as personnel who have served in the field with construction crews as inspectors, technicians, and project managers. This injects a unique sensibility in our team's make-up, which greatly improves the overall **practicality and constructability** of the design, therefore reducing the overall cost of the project.

EXTENSION OF YOUR TEAM

Many firms can provide the technical ability, but delivering the projects as an extension of the utility's teams is another story. From our ongoing and lasting relationships with utilities and contractors, we realize engineering design is only a fraction of the total effort involved in the successful execution of a project. We understand that much of the effort is associated with cost control, documentation, administrative, process specification and standards development and are often clerical in nature. The key to our success has been our unique ability to integrate our clients' internal business processes and incorporate their preferences, so that we can **get the job done** with results they want and expect.





HIGH VOLTAGE TRANSMISSION
(69KV - 500KV)



SUBSTATION & SWITCHYARD
(69KV - 500KV)



OH & UG DISTRIBUTION (600V - 35KV)



**PROJECT MANAGEMENT/CONTRACT
ADMINISTRATION**



**MECHANICAL/ELECTRICAL/PLUMBING
(MEP)**



WATER DISTRIBUTION SYSTEMS



SUBSURFACE UTILITY ENGINEERING (SUE)



SURVEYING





DISTRIBUTION ENGINEERING

LEAN ON US.

M&S Engineering's substation team is fully equipped to support the utility industry's increasing demand for electrical systems from 600v to 35kv. Our design teams include professional engineers, former linemen, inspectors, construction superintendents and project managers, infusing a practicality to design and enabling higher efficiencies throughout the course of the project.

DISTRIBUTION (600V-35KV) DESIGN

- Overhead and Underground Distribution Design
- Structure Design
- Field Staking
- Planning
- Pole Loading Analysis and Make Ready Design
- Foreign Attachment Inventory and GPS Mapping
- TxDOT and Railroad Permitting
- Fiber Routing and Design
- Construction Management and Post-Construction Inspection
- Utility Coordination
- Duct-Bank Design
- Routing



DISTRIBUTION TEAM



BILL NEWCOMER | DISTRIBUTION ENGINEERING MANAGER

Mr. Newcomer has over 40 years of experience working on electrical and distribution line design projects in the public and private sector. His experience includes preliminary routing studies, estimating, engineering, material procurement, project management and final project close out. His primary responsibility is to communicate with the client as much as needed to insure that the project is done right, on time, and on budget.



GARRETT ARMKE | DISTRIBUTION DESIGNER

Mr. Armke has more than 15 years of experience in the planning, design, staking, and project management of both overhead and underground electrical distribution systems. As a Senior Technician, he is responsible for the detailed design, layout, feasibility, and project management of distribution systems from inception and planning to ultimate construction. Garrett has experience serving as a Project Manager and has managed the overall design efforts and ultimate construction for utility distribution projects. Client experience includes municipally owned, cooperatively owned, and investor owned electric utilities, as well as privately owned electrical systems.



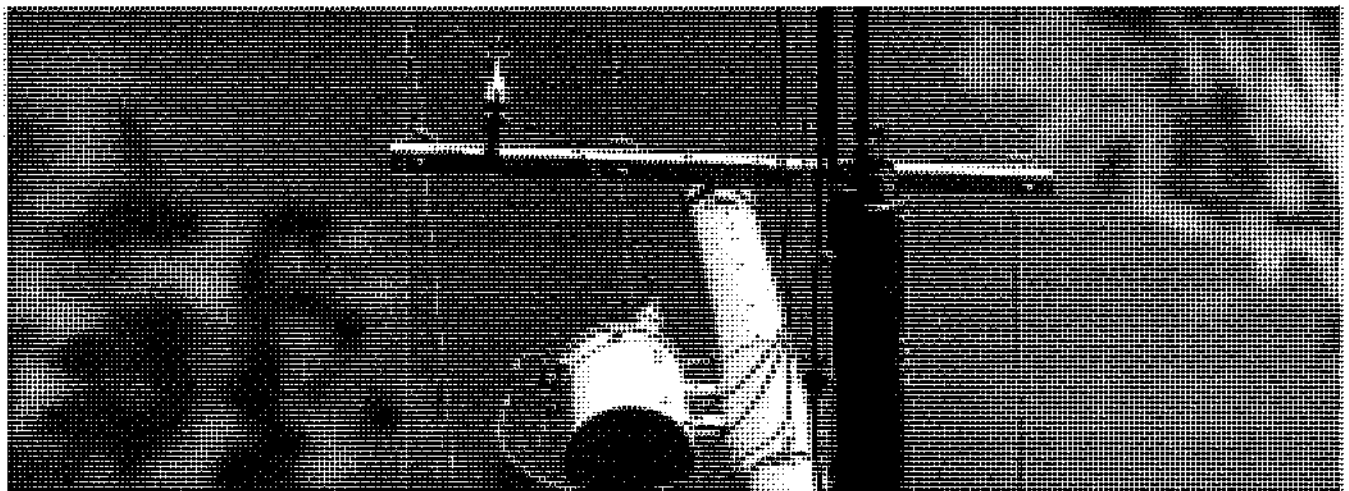
JOSH SCHINDLER | SENIOR DISTRIBUTION DESIGNER

Mr. Schindler has more than 10 years experience in planning, design, staking and project management of overhead and underground electrical distribution systems. He has served as a project manager and has managed the overall design efforts and construction for utility owned and privately owned distribution projects. In addition to his design expertise, Mr. Schindler is also knowledgeable in the project management, execution, funding and planning that accompanies large scale distribution and capital improvement projects.



MATHEW GALLITON | ALEDO DISTRIBUTION MANAGER

Mr. Galliton has over 19+ years of experience in transmission and distribution design. Mat's experience includes project planning, line design, material procurement, estimating, DOT projects, and preparation of preliminary drawings for a wide range of clients such including Investor-owned, municipally owned and cooperatively owned utilities. Mr. Galliton understands the nuanced differences within utilities and how their costing, budgeting and administration of projects vary. Mathew serves as the supervisor and manager of Aledo operations in the DFW area for M&S Engineering.



MUNICIPAL CLIENT REFERENCES

DISTRIBUTION



New Braunfels Utilities
GREGORY THOMAS, PE
gthomas@nbutexas.com
(830) 629-8953



Bryan Texas Utilities
SHAWNDR A GREEN-CURRY, PE
sgreen-curry@btutilities.com
(979) 821-5744



Floresville Electric Light & Power System
DREW POPE
drew.pope@felps.us
(830) 251-8482



It's real.

City of Seguin Utilities
CLARENCE SMITH
csmith@seguintexas.gov
(830) 433-1279



City of Burnet Utilities
ERIC BELAJ, PE
ebelaj@cityofburnet.com
(512) 715-3217

TRANSMISSION



Bryan Texas Utilities
CLAY LINDSTROM, PE
(979) 209-9799
clindstrom@btutilities.com



CPS Energy
RAMON HEARD, PE
(210) 416-9298
rheard@cpsenergy.com



Brazos Electric Cooperative
TIM HARTZ, PE
(254) 750-6761
thartz@brazoselectric.com



Oncor Electric Delivery
JEREMY HUTCHESON, PE
(817) 876-8013
michael.hutcheson@oncor.com



RES Group (Renewable Energy Systems)
KYLE SETTLE
(720) 509-8755
kyle.settle@res-group.com

SUBSTATION



Bryan Texas Utilities
CLAY LINDSTROM, PE
(979) 209-9799
clindstrom@btutilities.com



CPS Energy
BASILEO ROCHA, PE
(210) 422-3738
bdrocha@cpsenergy.com



Garland Power & Light
STEVE FOSTER
(972) 205-3470
sfooster@gpltexas.org



Oncor Electric Delivery
JEREMY HUTCHESON, PE
(817) 876-8013
michael.hutcheson@oncor.com



Pedernales Electric Cooperative
PAUL LOCHTE, PE
(830) 992-0981
paul.lochte@peci.com



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss a policy for Public Improvement Districts.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - Monte Akers,
David Fowler

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Creation of a Public Improvement District ("PID") is a method by which funding of improvements for the development of a defined area may be accomplished which ensures that the owners benefitted by the improvements bear the cost through "assessments." Caldwell County adopted a PID Policy in 2021, and the City is currently working with a developer who desires that the City create a PID for a large mixed use development. Note that what is presented to the Council is a "policy" rather than an ordinance or resolution. It is meant to provide guidance to developers or others considering or proposing a PID, as well as City staff, to ensure that the procedures for creating a PID are consistent, but which can be modified or adjusted by the City, if appropriate for a particular project, without amending the policy.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: Discussion only.

COMMITTEE/BOARD/COMMISSION ACTION: Discussion only.

STAFF RECOMMENDATION/REQUESTED MOTION: Adoption of the Policy.

LIST OF SUPPORTING DOCUMENTS: City of Lockhart Public Improvement District Policy,
Summary of PID Policy

CITY OF LOCKHART

PUBLIC IMPROVEMENT DISTRICT (PID) POLICY

OVERVIEW

Public Improvement Districts ("PIDs"), per the Texas Local Government Code Chapter 372 ("the code" or "PID Act"), provide the City of Lockhart ("the City") an economic development tool that permits the financing of qualified public improvement costs which confer a special benefit on a definable part of the City. Proceeds from bonds issued by a PID can finance capital costs and fund supplemental services to meet the community needs which could not otherwise be constructed or provided. The bonds issued by the City to fund the costs of eligible capital improvements and/or supplemental services are paid entirely by property owners within the PID who receive special benefits from the capital improvements or services. **A PID may only be used to pay for public improvements.**

A PID is comprised of properties, whose owners have petitioned the City to form a PID. The City Council establishes a PID by adoption of a resolution after a public hearing and filing of the resolution with the County within 7 days of adoption. Written notification of the public hearing is published and mailed to all property owners in the proposed PID. By petition, the owners pledge to pay an assessment in order to receive enhanced services and/or improvements within the District. The PID must demonstrate that it confers a benefit, not only to the properties within the district, but also to the "public" which includes the City.

The purpose of this PID policy is to outline the issues to be addressed by the owner of the taxable real property liable for assessment petitioning for creation of a PID ("Petitioner") before the City Council can support the establishment of a PID. The PID policy outlines such things as petition requirements, qualified costs, financing criteria, information disclosures to property owners, and the determination of annual plans, budgets, and assessments.

GENERAL

1. A PID may be created and utilized to construct qualified public improvements and/or reimburse a portion of the Developer's actual and documented costs required for public improvements to serve the development. Such incremental costs shall be associated with the construction of qualified public improvements.
2. PIDs must be self-sufficient and not require the City to incur any costs associated with the formation of the PID, bond issuance costs, PID administration or the construction of PID improvements. The Petition shall include a statement that the Petitioners shall arrange for any financing needed for the development of the PID.
3. PID petition signatures should reflect that a reasonable attempt was made to obtain the full support of the proposed PID by the majority of the property owners located within the

proposed PID. Priority will be given to proposed PIDs with the support of 100% of the landowners within a PID.

4. PID petitions will be more likely to be approved if the project includes one or more aspects of the following types of improvements:
 - a. Which generate economic development benefits to the City;
 - b. Which provide for improvements in the public right of way (e.g., entryways, landscaping, fountains, specialty lighting, art, decorative and landscaped streets and sidewalks, bike lanes, multi-use trails, signage);
 - c. Which meet community needs (e.g., enhanced drainage improvements, land and infrastructure for re-irrigation of treated wastewater, off-street public parking facilities, pedestrian connectivity, wastewater and/or water system improvements, which create new or enhanced public roads and streets and which enhance and create opportunities to redevelop older or underutilized areas of the City);
 - d. Which exceed development requirements of the City; in particular enhanced architectural standards, enhanced landscaping, lighting which preserves dark skies, and which provide for a superior design of lots or buildings;
 - e. Which provide for increased recreation and open space opportunities for public use;
 - f. Which protect and preserve natural amenities and environmental assets such as the lakes, trees, creeks, ponds, floodplains, slopes, hills, viewsapes, and wildlife habitats;
 - g. Which protect and preserve existing historical buildings, structures, features or places and preserve the rural and community amenities or features that further reflect the City's character would otherwise be of special benefit to the property users or community; and
 - h. Which are associated with property located within the city limits of the City of Lockhart.
5. A PID's budget shall include sufficient funds to pay for all costs, including the cost of establishing the PID, issuance of PID bonds, if any, as well as including funds for additional administrative and/or operational costs and management costs.
6. A Landowner's Agreement must be recorded in the Official Public Records of the County in which the PID is located which, among other things, will notify any prospective owner of the existence or proposal of special assessments on the property. All closing statements and sales contracts for lots must specify who is responsible for payment of any existing

PID assessment or a *pro rata* share thereof until such time as the PID assessment is paid in full.

7. Any requested adjustments or deviations from the terms of this Policy for a PID shall be clearly requested and explained (including a detailed description of the basis for such a request under Chapter 372 of the Texas Local Government Code) in the PID petition for that PID. Any adjustments or deviations granted are at the sole discretion of the City Council.
8. A PID must be identified as a PID with use of signage along the main entry/exits located at the boundaries of the PID. All signage shall be clearly visible to all motorists entering and exiting the PID.
9. Property owned by the City of Lockhart or that is intended to be conveyed or dedicated to the City and that is located in the boundaries of the PID shall not be subject to any assessment by the PID.
10. No PIDs will be allowed to be created that overlap the boundaries of another PID.
11. Annual Service and Assessment Plan updates, as required by Chapter 372 of the PID Act, shall be provided for if a PID is created in response to a petition.

PETITION REQUIREMENTS

1. In addition to the requirements of Texas Local Government Code §372.005(a) the petition must include the following: PID petitions shall include this additional note: "With respect to community property, the City may accept the signature of a spouse as a representation of both spouses that they support the creation or renewal of the PID absent a separate property agreement. *However, if City staff is made aware of any disagreement among owners of community property, those petitions will not be counted.*
2. Signatures for PID petitions must be gathered not more than six months preceding submittal of the PID Application, unless otherwise approved by the City.
3. PID petitions shall include this language: The City shall, upon reasonable prior written notice to the Developer and during normal business hours, have the right to audit and inspect the Developer's records, books, and all other relevant records related to amounts that may be reimbursed by the proceeds of any PID bonds. The Parties agree to maintain the appropriate confidentiality of such records, unless disclosure of such records and information shall be required by a court order, a lawfully issued subpoena, State Law, municipal ordinance, or at the direction of the Office of the Texas Attorney General.
4. All PID Agreements shall include Indemnification language for construction of public improvements as follows:

**DEVELOPER COVENANTS AND AGREES TO FULLY INDEMNIFY AND
HOLD HARMLESS, CITY (AND THEIR ELECTED OFFICIALS,**

EMPLOYEES, OFFICERS, DIRECTORS, AND REPRESENTATIVES), INDIVIDUALLY AND COLLECTIVELY, FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY ANY THIRD PARTY AND RELATING TO DEVELOPER'S CONSTRUCTION OF THE PUBLIC IMPROVEMENTS INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY OR DEATH AND PROPERTY DAMAGE, MADE UPON CITY OR DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO DEVELOPER OR DEVELOPER'S CONTRACTORS' NEGLIGENCE, WILLFUL MISCONDUCT OR CRIMINAL CONDUCT IN ITS ACTIVITIES, INCLUDING ANY SUCH ACTS OR OMISSIONS OF DEVELOPER OR DEVELOPER'S CONTRACTORS, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONSULTANTS OF DEVELOPER OR DEVELOPER'S CONTRACTORS AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES, ALL WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY, UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE CITY AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. DEVELOPER SHALL PROMPTLY ADVISE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST CITY, RELATED TO OR ARISING OUT OF DEVELOPER OR DEVELOPER'S CONTRACTORS ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT THE DEVELOPER'S COST TO THE EXTENT REQUIRED UNDER THE INDEMNITY IN THIS PARAGRAPH. CITY SHALL HAVE THE RIGHT, AT THEIR OPTION AND AT THEIR OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING DEVELOPER OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

IT IS THE EXPRESS INTENT OF THIS SECTION THAT THE INDEMNITY PROVIDED TO THE CITY AND THE DEVELOPER SHALL SURVIVE THE TERMINATION AND / OR EXPIRATION OF THIS AGREEMENT AND SHALL BE BROADLY INTERPRETED AT ALL TIMES TO PROVIDE THE MAXIMUM INDEMNIFICATION OF THE CITY AND / OR THEIR OFFICERS, EMPLOYEES, REPRESENTATIVES AND ELECTED OFFICIALS PERMITTED BY LAW.

5. For a district to be established, a petition shall include the following:
 - a. Evidence that the petition's signatures meet the state law requirements, or the petition must be accompanied by a reasonable fee to cover the City's costs of signature

verification. If the proposed district is an expansion of an existing district, a petition for the new portion of the district must identify each subdivision, or portion thereof, within the proposed boundaries of the new district, and each subdivision or portion thereof that is not currently in an existing PID shall individually satisfy the requirements for a petition under Section 372.005 of the Texas Local Government Code. Subdivision has the meaning assigned by Section 232.021 of the Texas Local Government Code.

b. Map of the area, a legal description of the boundaries of the district for the legal notices and a "commonly known" description of the area to be included in the district.

c. Statement that the petitioners understand that the annual Service and Assessment Plan for the district is subject to review by City staff with final approval by the City Council.

d. A narrative description of the project and how it meets or exceeds the types of public improvements discussed in General (4).

DOCUMENTS AND INFORMATION REQUIRED IN CONJUNCTION WITH THE PETITION

The following issues must be addressed before the City Council will take action on a petition.

A non-refundable application fee as set in the Master Fee Schedule, or as set out in a Professional Services Reimbursement agreement between the City and Developer will be required with the filing of a petition to create a PID. This fee is regulatory in character and approximates the costs of evaluating the PID petition. In addition to the application fee, any other related City-required cost, limited to actual costs as are documented by the City, is the responsibility of the Developer.

1. A petition must include a current tax roll and a statement indicating the owners' support for the petition.
2. A copy of the Preliminary PID Finance Plan shall be submitted with the petition. This Finance Plan shall include at a minimum:
 - a. Targeted gross bond amount;
 - b. Estimated *ad valorem* revenue generated;
 - c. Annual assessment per unit;
 - d. Estimated number of bond issuances;
 - e. Proposed maturity dates for PID Bonds; and
 - f. Any other such supporting information related to the success of the PID.

3. A copy of a Project Feasibility Study which demonstrates the economic feasibility of the project and includes the following information:
 - a. An Assessment Revenue Pro forma for the proposed development costs of the PID;
 - b. A financial review of the development projections and absorption schedule;
 - c. Analysis of above describing the timing and amount PID assessment revenue which will be generated based upon varying levels of assessments; and
 - d. Comparison of the PID as built-out with other similar projects in the area that will not have an assessment.

DOCUMENTS AND INFORMATION REQUIRED PRIOR TO THE PUBLIC HEARING

In addition to the requirements of Section 372.009 of the Texas Local Government Code the following information shall be submitted for review by the City prior to the public hearing:

1. PID Financing Agreement between the City and the Developer. The PID Financing Agreement shall contain a section which clearly identifies the benefit of the PID to the affected property owners and to the City as a whole (i.e., public purpose) and also evidence of insurance;
2. Service and Assessment Plan. The Developer shall prepare and present an ongoing service plan which shall include an assessment plan (Service and Assessment Plan) to the City Council for review and approval. The plan must cover a period of at least five years and must define the annual indebtedness and projected costs of the PID improvements and the proposed assessments on the various classes of covered property under the plan. The Service and Assessment Plan shall include but is not limited to:
 - a. A description of the proposed method of assessment including the classes of covered property;
 - b. An apportionment of the costs between the PID and the City, if any;
 - c. A description of the management of the PID; and
 - d. If applicable, all City-owned land within the district.
3. Appraisal.

4. Proof that any liens on the Properties to be included in the District will be subordinated to creation of the PID;
5. Consent Agreement to Dissolution of the PID if Project is not developed.
6. Any additional information required by the City to evaluate the Feasibility Report.

PID ADMINISTRATION

1. The City may contract with a qualified third-party company to manage and administer the PID, subject to appropriate oversight by City staff.
2. The City's contract with a qualified third party to manage and administer the PID for the City shall provide for the contractor to:
 - a. Prepare and submit a Budget and Five Year Service Plan to the City Council for consideration and adoption. The budget shall provide for sufficient funding to pay for all costs above and beyond the City's ordinary costs, including additional administrative and/or operational costs as well as additional maintenance costs resulting from the PID.
 - b. Provide for the calculation of the assessment and allocation to the respective parcels in the PID and shall provide for the billing of the assessments to the property owners or provide information to the County Tax Assessor if the City has contracted with that entity to collect the assessments.
 - c. Prepare annual updates and reports for the Service and Assessment Plan as required by Chapter 372 of the Texas Local Government Code and submit an annual Service and Assessment Plan in a form appropriate for consideration and adoption by the City Council each year and assist the City Council and staff in adopting the annual Service and Assessment Plan updates.
 - d. Prepare annual reports reflecting the expenditure of Bond Proceeds or the reimbursement of Developer expenditures as appropriate.
 - e. Prepare annual reports reflecting the imposition and collection of the assessments and the balances in the various accounts related to the PID to be provided to City Council on a monthly or other periodic basis as may be required by the City.
 - f. Prepare and provide any other reports or information required of the City or the Project under Chapter 372 of the Texas Local Government Code.
3. The contract with a third party to manage the PID shall not preclude the City from entering into a contract with another taxing unit for the collection of the assessments levied for the PID.
4. The City may alternatively provide for the administration of the PID through in-house resources.

5. Provision for the costs associated with the provision of the administrative services, whether the services are provided by third parties or the City, shall be included in any budget proposed by the Developer and may include but is not limited to allocation of interest on the assessment to the extent authorized under Chapter 372 of the Texas Local Government Code.
6. Any management firm for a PID shall be required to submit quarterly reports of all activities and expenditures to the City until the project is 80% built out.
7. The City may request an independent audit at any time.

ADDITIONAL PROJECT CRITERIA

In agreeing to form a PID for which debt will be issued to fund the costs of constructing qualified public improvements, the City will require the following:

1. The property owner must demonstrate to the City that it has the expertise to complete the new development that the PID will support.
2. The property owner must provide the City with its sources of funding the public improvements not being funded by the PID unless such improvements have already been constructed by the property owner prior to the PID funding.
3. The proposed development must be consistent with the entitlements on the property. All required zoning must be in place for the development of the portion or phase of the Property to be assessed by the PID Bond issue prior to the issuance of any PID bonds for that portion of the property.
4. The property owner must provide evidence to the City that the utility service provider has or will have sufficient capacity to provide all necessary utility services for the development of the portion or phase of the Property to be assessed by the PID Bond issue prior to the issuance of any PID bonds for that portion of the property.
5. All reasonable estimated costs must be identified before a decision is reached on a request to issue bonds for a PID. Costs to be identified include costs related to establishing the district, costs for construction and/or the acquisition of improvements, the maintenance and operation of improvements (if any) and PID administrative costs.
6. If the City elects to hire a qualified third party PID administrator to administer the PID, the costs for such administration shall be paid for with PID funds.

BOND SIZE LIMITATIONS

The following limitations and performance standards shall apply to a PID debt issue approved by the City:

1. Minimum appraised value to lien ratio at date of each bond issue: 3:1
2. Minimum annual permitted increase for the debt service component of the annual assessment installment: 0-2%

3. Maximum maturity for each series of bonds (to extent allowed by law): 30 years

The aggregate principal amount of bonds required to be issued shall not exceed an amount sufficient to fund: (i) the actual costs of the qualified public improvements; (ii) required reserves and capitalized interest during the period of construction and not more than 12 months after the completion of construction and in no event for a period greater than three (3) years from the date of the initial delivery of the bonds; and (iii) any costs of issuance. Provided, however that to the extent the law(s) which limit the period of capitalized interest to 12 months after completion of construction change, the foregoing limitation may be adjusted to reflect the law(s) in effect at the time of future bond issuances. Additional terms may be considered by the City if the public improvements are constructed in phases or multiple bond sales are contemplated for the project.

FINANCING CRITERIA

1. The PID may seek bond issues in advance of construction of an individual phase of a project subject to compliance with these standards.
2. No City backing or moral obligations will be utilized to fund or support the PID bonds.
3. All proposed subsequent PID bond issues for a project, if any, will be subject to approval by the City Council.
4. Special assessments on any given portion of the property may be adjusted in connection with subsequent bond issues as long as an agreed-upon maximum annual assessment rate is not exceeded for a project or phase, and the special assessments are determined in accordance with the Service and Assessment Plan and the PID Act. Special assessments on any portion of the property will bear a direct proportionate relationship to the special benefit of the public improvements to that improvement area. In no case will assessments be increased for any parcel unless the property owner of the parcel consents to the increased assessment.
5. The City shall not be obligated but may choose to do so at its sole discretion, to provide funds for construction of any improvement except from the proceeds of the PID bonds and PID assessments.
6. Each PID Bond Indenture will contain language precluding the City from making any debt service payments for the PID bonds other than from available special assessment revenues.
7. A PID will be responsible for payment of all the City's reasonable and customary costs and expenses including the cost of any appraisal.
8. Any PID bond issued will include a Reserve Fund in an amount equal to the lesser of: (i) the maximum annual debt service on the bonds; (ii) 10 percent of the Bond Par Amount; or (iii) 125 percent of the average annual debt service and that such Reserve Fund will be funded from bond proceeds at the time bonds are issued.
9. All public infrastructure within the PID that is to be reimbursed must include a minimum of three (3) bidders approved by the City and the Developer.

10. All Developers and significant landowners will provide any required continuing disclosure obligations associated with the issuance of PID bonds as required under the Indenture or any other regulatory agreement or regulatory agency.
11. All construction of improvements is subject to City review and provision shall be made for dedication to City or to another appropriate entity.
12. PID bonds must be issued within 12 months from the date of the resolution creating the PID.

MISCELLANEOUS

1. Severability: If any section, subsection, sentence, clause, phrase, or word of this policy is declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
2. No Liability of City or Public Officials. Neither the City, a public official, employee, or representative shall be responsible for any liability arising under or growing out of any approved PID. Any obligation or liability of the Developer whatsoever that may arise at any time under the approved PID or any obligation or liability which may be incurred by the Developer pursuant to any other instrument transaction or undertaking as a result of the PID shall be satisfied out of the assets of the Developer only and the City shall have no liability.

Summary of PID Policy

I. Overview: Purpose, nature, of a PID

II. General:

1. May be used to construct public improvements or reimburse developer for cost of same.
2. PID is self-sufficient & does not require City to incur costs.
3. PID petition signatures reflect support from majority of owners.
4. PID petition likely to be approved if it:
 - a. Generates economic development.
 - b. Provides for ROW improvements.
 - c. Meets community needs (examples)
 - d. Exceeds development standards of the City (examples)
 - e. Provides for increased recreation/open space for public.
 - f. Protects natural amenities and environmental assets.
 - g. Protects historic buildings and features.
 - h. Is associated with property inside the City.
5. PID budget to include funds for all costs.
6. Landowner's Agreement must be recorded in county records and serve as notice.
7. Requested deviations must be clearly identified.
8. PID must be identified with signage.
9. City property in the PID boundaries not subject to assessment.
10. No PID that overlaps another PID.
11. Annual Service and Assessment Plan updates required.

III. Petition Requirements:

1. Language regarding community property
2. Signatures to be gathered not more than six months prior to PID application unless otherwise approved.
3. Shall include language regarding City's right to inspect Developer's records.
4. Specific indemnification language required.
5. Signatures must meet state law requirements of include fee to cover cost of City's signature verification.
6. Map/description of property.
7. Statement re annual Service and Assessment plan.
8. Narrative description of project & how it meets or exceeds II 4 above.

IV. Documents to accompany petition, in addition to application fee:

1. Current tax roll and owner statement.
2. Preliminary PID Finance Plan that includes:
 - a. Gross bond amount
 - b. Estimated *ad valorem* revenue generated.
 - c. Annual assessment per unit.
 - d. Estimated number of bonds issuances.
 - e. Proposed maturity dates for PID Bonds; and
 - f. Any other such supporting information related to the success of the PID.
3. A copy of a Project Feasibility Study including:
 - a. An Assessment Revenue Pro forma.
 - b. A financial review of the development projections and absorption schedule.
 - c. Analysis of timing and amount of assessment revenue which will be generated.

- b. Comparison of the PID as built-out with other similar projects.
- V. Documents/Info. required before public hearing:
 - 1. PID Financing Agreement between the City and the Developer.
 - 2. Service and Assessment Plan, which includes:
 - a. Proposed method of assessment
 - b. Apportionment of costs between PID and City if any
 - c. Description of management of PID
 - d. If applicable, all City-owned land within the district.
 - 3. Appraisal.
 - 4. Proof that liens on the Properties will be subordinated to creation of the PID.
 - 5. Consent Agreement to Dissolution of the PID if Project is not developed.
 - 6. Any additional information required by the City.
- VI. PID Administration:
 - 1. City may contract with 3rd party management company.
 - 2. City contract with 3rd party contract to include:
 - a. Budget and five-year service plan.
 - b. Calculation of the assessment and allocation for parcels.
 - c. Annual updates required by Ch. 372.
 - d. Annual reports re expenditure of bond proceeds or reimbursement
 - e. Prepare annual reports re imposition and collection of the assessments and the balances related to the PID to be provided to City Council on a monthly or other periodic basis.
 - e. Any other information required of the City or the Project under Chapter 372.
 - 3. Third party contract shall not preclude city from contracting with another taxing unit for collection of assessments.
 - 4. City may administer PID in-house.
 - 5. Provision for costs of administrative services.
 - 6. Any management firm required to submit quarterly reports until 80% buildout.
 - 7. City may request an independent audit at any time.
- VII. Additional Project criteria—City will require:
 - 1. Demonstration of expertise to complete the new development.
 - 2. Property owner to provide sources of funding of public improvements not funded by PID.
 - 3. Consistency with entitlements on property, incl. zoning.
 - 4. Evidence that utility provider has capacity.
 - 5. Estimated costs identified before request to issue bonds.
 - 6. Third party costs to be paid with PID funds.
- VIII. Bond Size Limitations:
 - 1. Minimum appraised value to lien ratio at date of each bond issue: 3:1.
 - 2. Minimum annual permitted increase for the debt service component of the annual assessment installment: 0-2%.
 - 3. Maximum maturity for each series of bonds: 30 years.
 - 4. The aggregate principal amount of bonds issued shall not exceed actual costs of public improvements; required reserves and capitalized interest; any costs of issuance, adjusted as necessary to comply with law.
- IX. Financing Criteria
 - 1. PID may seek bond issues in advance of construction of an individual phase of a project subject to compliance with these standards.

2. No City backing or moral obligations will be utilized to fund or support the PID bonds.
 3. All proposed subsequent PID bond issues for a project, if any, will be subject to approval by the City Council.
 4. Special assessments may be adjusted in connection with subsequent bond issues as long as specific requirement met.
 5. The City shall not be obligated but may provide funds for construction of any improvement from the proceeds of the PID bonds and PID assessments.
 6. Each PID Bond Indenture will contain language precluding the City from making any debt service payments for the PID bonds other than from available special assessment revenues.
 7. PID will be responsible for payment of the City's reasonable and customary costs and expenses.
 8. Any PID bond issued will include a Reserve Fund equal to the lesser of: (i) the maximum annual debt service on the bonds; (ii) 10 percent of the Bond Par Amount; or (iii) 125 percent of the average annual debt service and that such Reserve Fund will be funded from bond proceeds at the time bonds are issued.
 9. All public infrastructure within the PID that is to be reimbursed must include a minimum of three (3) bidders approved by the City and the Developer.
 10. All Developers and significant landowners will provide any required continuing disclosure obligations associated with the issuance of PID bonds as required under the Indenture or any other regulatory agreement or regulatory agency.
 11. All construction of improvements is subject to City review and provision shall be made for dedication to City or to another appropriate entity.
 12. PID bonds must be issued within 12 months from the date of the resolution creating the PID.
- X. Miscellaneous
1. Policy is severable
 2. Neither the city or any city official or employee shall be liable obligations arising from the PID.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss Resolution 2023-08 to update the comprehensive schedule of fees for development-related applications and permits, including revised fees for existing applications, establishment of fee levels for new applications, providing a savings clause, to repeal conflicting ordinances or resolutions, and to provide for an effective date.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: The purpose of the proposed resolution is to revise the fees for development applications, including planning-related fees such as the many types of annexation, zoning and subdivision applications, as well as building-related fees such as building permits, trade permits, commercial and residential inspections. Also included in the fee schedule are updated fees for sign permits, fence permits, tree removal permits and Certificates for Alteration in the Courthouse Square Historical District. New fees are proposed for several processes which did not previously have a fee designated. Such new fee categories include annexation petitions, subdivision variances, right-of-way vacations, tree removal permits, inspections of public improvements constructed for subdivisions, and zoning verification letters.

The motivation for the revision in fee amounts is prompted by the recent surge in development activity. Despite the large number of applications the City has received, comparatively little revenue has resulted from the increase in permit activity. As such, an overwhelming percentage of staff, equipment, furniture, and other related costs related to this development surge are covered by the City's general fund. Updating the fee levels will help ensure that development activity is paying for the use of city resources it generates to the extent possible while freeing up more of the city's general fund for other priorities.

To arrive at the proposed fee schedule revisions, City staff researched the fees which other similar-situated cities charge. Like the recent impact fee update, the fees are intended to place Lockhart within the mainstream of fees charged in the Austin-San Antonio corridor, with an emphasis on maintaining relative affordability while capturing more of the city's costs created by various application types. The fees have also been designed to be less onerous for smaller landowners, with larger, more complex properties carrying a greater burden as the project size grows. This is because larger projects typically generate more staff time, in terms of multiple rounds of applications, more notification letters being required and more public inquiries being received regarding the proposed project. The draft fee amounts for the planning-related fees have been reviewed by the Housing and Development Committee, which recommended forwarding the fees to City Council for review.

PROJECT SCHEDULE (if applicable): The resolution would make the new fee schedule

City of Lockhart, Texas

Council Agenda Item Cover Sheet

effective September 1, 2023.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The revised fees are intended to cover more of the cost of staffing, equipment, vehicles, and other resources used in the processing of development applications. The exact impact of the proposed fees will depend upon the level of permit activities in planning and building related development categories, such as annexations, zoning changes, subdivision plats, building permits, fence permits, sign permits and other related activities.

PREVIOUS COUNCIL ACTION: The date of previous council action regarding development permit fees dates to before the year 2000.

COMMITTEE/BOARD/COMMISSION ACTION: None.

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2023-08, updating the comprehensive schedule of fees for development permits.

LIST OF SUPPORTING DOCUMENTS: Fee update resolution 2023-08, Planning Fee Adjustment recommendations, Building Fee Comparison of other municipalities

RESOLUTION NO. 2023-08

A RESOLUTION OF THE CITY COUNCIL OF LOCKHART TO UPDATE THE COMPREHENSIVE SCHEDULE OF FEES AND CHARGES NECESSARY TO GENERATE FUNDING FOR GENERAL AND SPECIFIC OPERATIONS REQUIRED TO SATISFY SERVICE NEEDS OF THE CITY; TO ESTABLISH NEW CATEGORIES OF FEES AND CHARGES; TO REVISE EXISTING RATES; TO RECONFIRM EXISTING RATES; PROVIDE FOR A SAVINGS CLAUSE; TO REPEAL CONFLICTING ORDINANCES OR RESOLUTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE

WHEREAS, the City Council has from time-to-time revised fees and charges based on need for additional funding to cover increased costs of services funded by said fees; and

WHEREAS, a single comprehensive schedule of development-related fees and charges facilitates administration of the multiplicity of fees collected by various departments in the City and provides a simpler and less complicated means of reviewing and adjusting rates as needed from time to time; and

WHEREAS, Development and building fees should adequately reflect the cost of services associated with providing the related services; and

WHEREAS, the current development and building fee revenues do not cover the cost of service, therefore, the citizens and taxpayers are left subsidizing the difference.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS that:

SECTION 1. All fees and charges listed in EXHIBIT "A" attached hereto and incorporated herein for all purposes are hereby adopted.

SECTION 2. All fees and charges listed in EXHIBIT "A" shall be effective and valid beginning September 1, 2023.

SECTION 3. All fees authorized by the Code of Ordinances and referenced as "on file in the City Secretary's office" are shown in EXHIBIT "A" as incorporated herein.

SECTION 4. All ordinances, parts of ordinances or resolutions in conflict herewith are expressly repealed to the extent of such conflict.

SECTION 5. The invalidity of any section or provision of this Resolution shall not invalidate other sections or provisions thereof.

SECTION 6. The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted, was posted and that such meeting was open to the public as required by law at all times during which this Resolution and

the subject matter hereof was discussed, considered , and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended and the Act

PASSED, ADOPTED, AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, THIS THE 6th DAY OF JUNE, 2023.

CITY OF LOCKHART:

Lew White, Mayor
City of Lockhart

ATTEST:

Julie Bowermon,
Assistant City Secretary

APPROVED AS TO FORM:

Monte Akers, City Attorney

EXHIBIT “A”

Schedule of development fees

Planning-related fees:

<u>Application</u>	<u>Fee amount</u>
Zoning Change	\$250 , plus \$150 per acre, maximum of \$10,000, plus additional \$1,000 for Planned Development District
Specific Use Permit	\$250, plus \$150 per acre, maximum of \$2,500
Zoning Variance/Special Exception	\$250, plus \$150 per acre, maximum \$2,500
PID/MUD/SUD/WCID consent agreement	\$10,000 minimum escrow plus professional fees
Zoning Verification letter	\$75
Voluntary Annexation	\$1,500
Preliminary Plat/development plat	\$1,500 plus \$100 per acre
Final plat/major replat/resubdivision	\$1,000 plus \$100 per acre
Amending/Minor Plat/Minor Replat	\$750 plus \$100 per acre
Family Transfer Exception	\$250
Subdivision Variance	\$750 per variance requested
Engineering plan review fee (Subdivisions and site plans)	\$1,000 plus \$250/acre, \$20,000 maximum
Plan Check Fee	50 percent of building permit fee amount
Sign Permit	\$100, plus \$1 per square foot
Traffic Impact Analysis	\$1,000 plus professional review fees
Fence Permit	\$50 residential, \$75 commercial
Certificate for Alteration/Historic Landmark	\$50
Historic Preservation Tax Abatement	\$200
Street/ Alley Abandonment	\$1,000
Tree removal permit	\$100 residential/\$200 commercial
Printouts of maps	\$5 per square foot
Public Improvement Inspections	\$1,000 per acre
Off-site utility extension review	\$1 per foot of utility extension, each utility assessed separately. Also applies to upsizing.

Building-related fees:

<u>Application</u>	<u>Fee Amount</u>
Residential Electric New construction	\$75
Residential Electrical Repair/Remodel	\$75
Electrical Meter Loop	\$75
Commercial Electrical Repair/Remodel	\$75
Commercial Electrical New Construction	\$75
Residential Plumbing repair/remodel	\$75
Residential Plumbing New Construction	\$75
Commercial plumbing repair/remodel	\$75
Commercial plumbing new construction	\$75, hotels multifamily and similar configurations, \$20/unit
Residential Mechanical Repair/Remodel	\$75
Residential Mechanical, New Construction	\$75
Commercial Mechanical Repair/Remodel	\$75
Commercial Mechanical New Construction	\$75, hotels multifamily and similar configurations, \$20/unit
New Construction (Residential and commercial)	\$0.45 per square foot
Residential Building Repair/Remodel	\$75
Residential Swimming Pool	\$125
Commercial Swimming Pool	\$150
Residential Duplex New Construction	\$0.40 per square foot
Residential Inspection Fee	\$75 in addition to permit fee
Permit Renewal Fee	\$75
Residential or Commercial Re-inspection	\$100

Building-related fees (continued):

<u>Application</u>	<u>Fee Amount</u>
Roof Permit	\$75
Demolition Permit	\$75
Moving Permit	\$75

Planning and Development
Proposed fee changes, June 2023

Type	Current fee	Proposed new fee	Notes
Zoning Change	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250 , plus \$150 per acre , \$1,000 more for PDD	\$Min1K in SM \$3K in Bastrop
Specific Use Permit	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250 , plus \$75 per acre,	\$ 1,000 in San Marcos
Zoning Variance/ Special Exception	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250, plus \$75 per acre (also includes sign variance)	\$750 in San Marcos
Zoning Verification letter	No charge	\$75	\$75 in SM, \$150 in Bastrop
Voluntary Annexation	No charge	\$1,500	\$1,800 in San Marcos
Meeting notification news ad	No charge	leave included in application fee	Buda: \$5/letter +
Preliminary Plat/development plat	\$600	\$1,500 plus \$100 per acre	Significantly less than Caldwell Co.
Final Plat/ major replat	\$400 plus \$20/acre	\$1,000 plus \$100 per acre	See above
Amending/Minor Plat/ Minor replat	\$100	\$750 plus \$100 per acre	“ “
Subdivision Variance	No charge	\$750 per variance requested	\$1,000 in Bastrop
Subdivision engineering plan review	\$500, plus \$250/acre, additional	\$1,000 plus \$250/acre, \$20,000 max	\$5,000 + professional

	\$10,000 max		fees in Bastrop
Type	Current fee	Proposed new fee	Notes
MUD/PID/SUD/WCID Consent agreement	(not defined)	\$10,000 minimum escrow plus additional professional fees, if needed	\$25K+ professional fees In Bastrop
Traffic Impact Analysis (TIA)	Not specified (at applicant's expense)	Minimum review fee of \$1,000 Plus consultant fees	\$1,200 in San Marcos
Sign permit	\$10 + \$0.25 per square foot	\$100, plus \$1 per square foot (reduced for non-profit?)	Buda: \$100 + \$1.50/SF
Fence permit	\$15	\$25 residential, \$50 commercial.	\$25-175 in Bastrop
Historic District Cert of Alteration	no charge	\$50	\$150 in San Marcos
Street/alley abandonment	No charge	\$1,000	\$1,200 in San Marcos
Tree Removal Permit	No Charge	\$100 residential/\$200 commercial (includes all of lot)	Buda \$100/150
Printouts of maps	\$20/sheet	\$5/SF	\$6.67/SF +50/hr. in Bastrop

<u>Type</u>	<u>Current fee</u>	<u>Proposed new fee</u>	<u>Notes</u>
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Other potential fees

Public Improvement Inspections* total cost,) \$2,500 min.	none	At least 2.5% of cost of improvements	Bastrop: 3.5% of
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*This refers to inspections of roads, water and sewer, storm sewer, and electric lines built for new subdivisions. As these facilities are dedicated to the city, staff will inspect the infrastructure improvements several times throughout the construction process. Public works estimates 40-60 staff hours for the public improvements needed for residential subdivisions.

Off-site utility extension review^	none	At least 2.5% of total cost of extension	Buda \$500 + 3.5% of cost
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^This fee is for the extension of utilities from the current end of a line to a property currently not served. Currently there is not a review fee charged, even though TRC reviews the construction plans for these extensions.

City of Lockhart Fee Comparison June, 1,2023

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Electrical Repair/Remodel	\$15	\$60	\$60 + \$60 inspection fee = \$120	\$25	\$75	\$70 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Residential Electrical New Construction	\$25	\$60	\$35 + \$60 inspection fee = \$95	\$55-\$110 Based on amperage Average \$85	\$75	\$50 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Electrical Meter Loop	\$25	\$60	\$35 + \$60 inspection fee = \$95	\$55	\$75	\$31 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Electrical Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	\$60-\$135 Based on amperage Average \$97	\$75	\$47 below average
Staff recommendation	Increase all trade permit fees to \$75*					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Commercial Electrical New Construction	\$50	Apartments & hotels \$30 per unit New & finish out. 1-2500 sf \$250 2501-5000 sf \$500 Greater the \$5000 sf \$750 + .02 per sf	\$80 + \$80 inspection fee = \$160	\$60 to \$135 based on voltage with an additional \$ 15 issuance fee. Estimated average. \$112	\$75	Approx. \$100 below average of base rate
Staff recommendation	Increase fee to a minimum of \$75 *Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Residential Plumbing Repair/Remodel	\$15	\$60	\$35 + \$60 inspection fee = \$95	Based on number of fixtures replaced/repared or general repair with additional \$15 issuance fee estimated average \$45	\$75	\$45 below average
Staff recommendation	Increase all trade permit fees to \$75					
Residential Plumbing New Construction	\$25	\$60	\$35 + \$60 inspection fee = \$95	Same as above estimated average \$45	\$75	\$45 below average
Staff recommendation	Increase all trade permit fees to \$75					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Commercial Plumbing Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	Based on number of fixtures replaced/repaired or general repair with additional \$15 issuance fee estimated average \$45	\$200 per building plus \$150 per additional floor	\$91.25 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Plumbing New Construction	\$50	Apartments & hotels \$30 per unit New & finish out. Varies based on cost average \$500	\$80 + \$80 inspection fee = \$160	Same as above estimated average \$45	\$200 per building plus \$150 per additional floor	Approx. \$175 below average
Staff recommendation	Increase fee to a minimum of \$75 *Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Gas Inspection Fee	\$15	NA	NA	NA	NA	
Staff recommendation	Remove fee, should be covered as plumbing fee					
Residential Mechanical Repair/Remodel	\$15	\$60	\$35 + \$60 inspection fee = \$95	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$61 below average
Staff recommendation	Increase all trade permit fees to \$75*					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Mech. New Construction	\$25	\$60	Included in new residential building fee \$.60 per sf. + \$60 inspection fee. Est. \$75	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$36 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Mechanical Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$67 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Mechanical New Construction	\$50	\$60	\$80 + \$80 inspection fee = \$160	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$125	\$75	\$48 below average
Staff recommendation	Increase all trade permit fees to \$75*Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Residential Building Repair/Remodel	\$0.25 per sq. ft. \$125	\$80	\$50-140 based on \$ evaluation + \$60 inspection fee	\$0.25 per sq. ft. \$125	\$75	\$34 above average based on \$5,000.00 and/or 500 S.F. project (varies depending on trades)
Staff recommendation	Change remodel/repair permit fee to \$75					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Building New Construction	\$0.35 per sq. ft. \$525	\$0.32 per sq. ft \$480	\$0.60 per sq. ft. (includes trade permits) + \$60 inspection fee. \$960	\$0.50 per sq. ft. plus \$50 application fee \$800	* \$ amount varies based on square footage Average cost \$1 per sf. \$1575	Based on 150,000/1500 S.F residence. \$415 below average
Staff recommendation	Increase the fee to \$.45 per square foot.					
Residential Swimming Pool	\$25	no heater \$158 – w/heater \$204	\$80	Above ground \$100	\$200	\$121 below average
				In ground \$200		
Staff recommendation	Increase fee to \$125					
Commercial Swimming Pool	NA	NA	\$150	NA	\$750	NA
Staff recommendation	Add commercial swimming pool fee of \$150					
Residential Duplex New Construction	NA	\$0.37 per sq. ft	NA	NA	NA	
Staff recommendation	Follow suit with Pflugerville and charge for additional time needed to review and insect fire rated assembly required between duplexes. Add new duplex fee at \$.40 per sq. ft					
Commercial Building Repair/Remodel	\$460 plus \$3 per thousand over \$100,000 \$910	Level 3 alteration same as new construction \$600	.70 per sq. ft. includes trade permits. \$1750	\$100 But plan review fee adds 25% capped at \$2500. \$2600	\$1000 plus \$.50 per sf. \$2250	Based on \$250,000 and/or 2500 sq. ft. project
Staff recommendation	Recommend changing commercial and residential permits valued at \$1,000 or less from \$15 to \$75 to be consistent with trade permits and to cover the cost of inspections.					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
New Commercial Inspection Fee (in addition to permit fee)	Council Resolution No. 2011-19 Adopted and Approved March 15 th , 2022, raising inspection fees for new commercial project to competitive levels.					
Staff recommendation	No change					
New Residential Inspection Fee (in addition to permit fee)	NA	NA	\$80	\$35	25% of new permit cost	
Staff recommendation	Add \$75 inspection fee to all new residential projects					
Commercial Building New Construction	Council Resolution No. 2011-19 Adopted and Approved March 15 th , 2022, raising commercial new construction fees to competitive levels					
Permit Renewal Fee	\$10.00	NA	NA	NA	NA	
Staff recommendation	Increase fee to \$75					
Residential Re-Inspection Fee	\$45	\$100	\$75 1 st and \$100 each additional	Residential \$35 Commercial \$50 Double for each failed inspection	\$100	\$55 below average
Staff recommendation	Increase the fee to \$100.					

Municipal fee comparison	City of Lockhart Fees	City of Pflugerville Fees	City of Manor Fees	City of New Braunfels	City of Bastrop Fees	+ or – other municipalities average cost
Commercial Re-Inspection Fee	Council Resolution No. 2022-19 Adopted and Approved March 15 th , 2022, eliminated commercial re-inspection fees, but structured to fees in manner that eliminates the need for the fee.					
Staff recommendation	No change					
Fence Permit	\$15	NA	NA	\$75	\$35	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Roof Permit	\$25	NA	NA		Res. \$150 Com. \$500	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Sign Permit	\$10 + \$.25/sq. ft. over 40 sq. ft. \$22	\$100	\$50 - \$100 based on size + \$80 inspection fee \$155	\$2.50 per square ft (\$50 min) \$125	\$200 + \$2/ft sign height and \$2/per. Sq. ft. \$304	Based on 50 sq. ft. sign \$164 below average
Staff recommendation	Increase the fee to \$100					
Admin fee	\$25 and 5% for new commercial projects	NA	NA		5% of permit cost	N/A
Staff recommendation	Increase the fee to \$50 no change for commercial					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor Fees	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Demolition Permit	\$15	50	\$25	\$50 up to 100,000 cubic feet \$50 plus \$.50 /1000 cubic feet additional	Res. \$ 350 Com. \$ 500	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Moving Permit	\$15	NA	\$85	\$100	160 ft or less \$25 Over 160 \$200	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					

Cost for new 2000 square foot home w/fence (does not include impact or water sewer fees or plan check fees).	Old fee schedule:	Proposed fee schedule:
Building Permit	\$700	\$900
Inspection Fee NA	NA	\$75
Plan check	\$350	\$450
Plumbing Permit	\$25	\$75
Mechanical Permit	\$25	\$75
Electrical Permit	\$25	\$75
Fence Permit	\$15	\$75
Total	\$1120	\$1725

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discuss Resolution 2023-09 creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee Members.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: This resolution has been written to create a Comprehensive Plan Steering Committee. The provisions of the resolution reflect discussions at recent Council meetings regarding the composition of the Steering Committee, the duties of the Committee and expectations of the Committee members. The Committee is defined as existing until the adoption of the Comprehensive Plan, at which point it would be dissolved. The Committee would be appointed by City Council, which would have the power to remove members for poor attendance or failing to perform their assigned duties. Along with the adoption of the resolution, Council may also move to appoint a slate of members to the Committee.

PROJECT SCHEDULE (if applicable): The Comprehensive plan is expected to take 18 months to complete, with Committee work starting in June 2023.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): None.

PREVIOUS COUNCIL ACTION: Council has had two discussion items on the formation and composition of the Steering Committee, which shaped the terms outlined in the resolution.

COMMITTEE/BOARD/COMMISSION ACTION: None.

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2023-09, creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee members.

LIST OF SUPPORTING DOCUMENTS: Comp Plan Steering Committee Resolution 2023-09

RESOLUTION 2023-09

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS APPROVING THE CREATION OF THE COMPREHENSIVE PLAN STEERING COMMITTEE

WHEREAS, Texas Local Government Code, Section 213.002 authorizes municipalities to adopt a comprehensive plan for the long-range development of the municipality; and

WHEREAS, the City of Lockhart is undertaking a process to update its Comprehensive Plan; and

WHEREAS, community outreach and public involvement will be an important part of the process; and

WHEREAS, the comprehensive plan is not a permanent document; and will be changed and amended from time to time,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TX, THAT:

1. A Comprehensive Plan Steering Committee is hereby created.
2. The Comprehensive Plan Steering Committee shall:
 - a) Work with the consultant and City Staff to articulate the common goals that will guide the City of Lockhart in the future;
 - b) Communicate the comprehensive planning process through public outreach events and through verbal and written communications to the public;
 - c) Assist the consultant and City staff with the data collection process;
 - d) Thoroughly review all draft materials presented to the Committee for review;
 - e) Make a recommendation to the Planning and Zoning Commission and City Council for plan adoption; and
 - f) Hold meetings which are posted in accordance with the Open Meetings Act of the Texas Government code.
3. The Comprehensive Plan Steering Committee shall consist of the following members:
 - a) Two City Council members,
 - b) Two Planning and Zoning Commission members,
 - c) One Lockhart ISD representative,
 - d) One representative from the Lockhart Chamber of Commerce,
 - e) One representative from the Greater Caldwell County Hispanic Chamber of Commerce,
 - f) One Economic Development professional,
 - g) One representative from the Downtown Business Association,
 - h) One Parks Board member,
 - i) One Lockhart Historical Preservation Commission member,

- j) Three community leaders from various areas in Lockhart, and
 - k) Any additional member(s) at the Council's discretion.
4. The Comprehensive Plan Steering Committee shall be dissolved upon adoption of the updated plan by City Council.
 5. City Council may replace members for poor attendance or for failing to perform the duties outlined above.
 6. The Steering Committee shall not have the power to approve the expenditure of any city funds, or perform any functions not approved by the Lockhart City Council.
 7. The foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.
 8. All provisions of any Resolution of the City of Lockhart in conflict with the provisions of this Resolution are hereby repealed. All other provisions of any Resolution of the City of Lockhart not in conflict with this Resolution shall remain in full force and effect.
 9. This resolution shall become effective from and after its passage.
 10. The meeting at which this resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given as required in the Open Meetings Act, Texas Government Code, Chapter 551.

PASSED AND APPROVED this, the 6th day of June, 2023 by the City Council of Lockhart, Texas

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action regarding renewal of the Ground Lease Agreement with Livengood Feeds, Inc. for Lot 2 of the Ice House Addition for a five year period and directing the Mayor to execute the agreement if approved.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Livengood Feeds, Inc. lease for Lot 2 of the Ice House Addition, located behind 110 North Brazos Street (City's Recycling Center) is expiring and Mr. Burt Livengood (tenant) has requested renewal of the ground lease agreement with the City. Livengood Feed uses the 2.228 acre site for overflow storage of trailers for his business located adjacent to the property. The renewal lease proposed is for five (5) years at \$2,315 per year, which included a 5.2% Customer Price Index increase over the \$2,200 received annually in the previous lease agreement. The proposed renewal follows the terms of the previous lease and includes an additional five-year renewal option and a six-month early termination notice is included in the lease.

Either party can, with or without cause, and with 6 months written notice, terminate the Agreement.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: April 17, 2012- Previous Ground Lease Agreement approved by City Council

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the lease as presented.

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: Livengood Feeds lease renewal 0523, Livengood Feeds Ground Lease April 2012

RENEWAL AND EXTENSION OF GROUND LEASE

This Renewal and Extension of Ground Lease (“Agreement”) is by and between the City of Lockhart, Texas, as “Landlord” and Livengood Feeds, as “Tenant.”

Recitals

1. Landlord and Tenant entered into a Ground Lease dated April 17, 2012 with a term of five years and an option to extend for five years, which extension was exercised and which has now expired so that Tenant has been holding over on a month to month basis..
2. Landlord and Tenant desire to renew and extend the ground lease under the same terms as the original Ground Lease, except as modified herein.

Agreement

1. Landlord and Tenant agree that the terms of the Ground Lease dated April 17, 2012, attached hereto as Exhibit “A,” shall be renewed and extended by this Agreement, except as modified herein.
2. The term of this Agreement shall commence on the date of its execution and shall remain in effect for a term of five years, ending on April 16, 2028.
3. The Base Rent under this Agreement shall be \$2,315.00 per year, payable on or before April 17 of each year.
4. At the end of the term of this Agreement, the ground lease may be extended for an additional five-year term at the rate of \$2,435.00 per year.
5. All other terms of the original ground lease shall remain in effect for the term and any extension of this Agreement.

AGREED TO AND ACCEPTED on this, the ____ day of June, 2023.

Landlord: City of Lockhart, Texas

Lew White, Mayor

Attest:

Julie Bowerman, Interim City Secretary

Tenant: Livengood Feeds

Burt Livengood, President

Ground Lease

Terms

Date: April 18, 2012

Landlord: CITY OF LOCKHART, a MUNICIPAL CORPORATION

Landlord's Address:

CITY OF LOCKHART
P.O. Box 239,
Lockhart, Texas 78644

Tenant: Livengood Feeds, Inc.

Tenant's Address:

Livengood Feeds
PO Box 1080
Lockhart, TX 78644

Premises

All usable portions of Lot 2, Ice House Addition to the City of Lockhart, Texas

Base Rent (yearly): \$2,000.00 during the primary term. \$2,200 during the option term

Term (years): five (5) years, with one (1) five year renewal option, and termination option

Commencement Date: April 17, 2012

Termination Date: at twelve o'clock a.m. on April 16, 2017, or as herein provided.

Security Deposit: \$ NONE

Use: the parking of commercial vehicles owned and operated by Tenant

Amount of Liability Insurance

Death/bodily injury: \$1,000,000

Property: \$1,000,000

Definitions

"Rent" means Base Rent plus any other amounts of money due Landlord by Tenant.

"Landlord" means Landlord and its agents and employees.

"Tenant" means Tenant and its agents, employees, invitees, licensees, or visitors.

Clauses and Covenants

A. Tenant agrees to -

1. Lease the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date, subject to early termination provision provided for both parties herein.

2. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for Tenant's intended Use.

3. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of the Premises, including the rules and regulations of the Premises adopted by Landlord.

4. Pay yearly, in advance, on the anniversary lease date the Base Rent to Landlord at Landlord's Address.

5. Pay, as additional Rent, all other amounts due under this lease.

6. Pay a late charge of 5 percent of any Rent not received by Landlord by the tenth day after the date in which it is due.

7. Allow Landlord to enter the Premises to perform Landlord's obligations, and to inspect the Premises.

8. Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, reasonable wear excepted.

9. Keep the service ways, and loading areas adjacent to the Premises clean and unobstructed.

10. Repair any damage to the Premises caused by Tenant.

11. Apply a permeable surface, properly compacted to Landlord's specifications, prior to the use of the premises for vehicular parking.

12. Maintain public liability insurance for the Premises

and the conduct of Tenant's business, naming Landlord as an additional insured, in the amounts stated in the lease.

13. Maintain insurance on Tenant's personal property.

14. Deliver certificates of insurance to Landlord before the Commencement Date and thereafter when requested.

15. Indemnify, defend, and hold Landlord harmless from any loss, attorney's fees, court and other costs, or claims arising out of use of the Premises.

16. Vacate the Premises on termination of this lease.

17. On request, execute an estoppel certificate that states the Commencement Date and Termination Date of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides any other information reasonably requested.

B. Tenant agrees not to -

1. Use the Premises for any purpose other than that stated in the lease or create a nuisance.

2. Damage power lines, poles, guy-wires or block access to City easements

3. Interfere with Landlord's management of the Premises.

4. Permit any waste.

5. Use the Premises in any way that is extra-hazardous, would increase insurance premiums, or would void insurance on the Premises.

6. Alter the Premises, except as herein provided.

7. Allow a lien to be placed on the Premises.

9. Assign this lease or sublease any portion of the Premises without Landlord's written consent.

10. Place any signs on the Premises without Landlord's written consent.

C. Landlord agrees to -

1. Lease to Tenant the Premises for the entire Term beginning on the Commencement Date and ending on the Termination Date.

2. Obey all laws, ordinances, orders, and rules and regulations applicable to the use, condition, and occupancy of

the Premises.

D. Landlord agrees not to -

1. Interfere with Tenant's possession of the Premises as long as Tenant is not in default.

E. Landlord and Tenant agree to the following:

1. *Alterations.* Any physical additions or improvements to the Premises made by Tenant will become the property of Landlord. Landlord may require that Tenant, at termination of this lease and at Tenant's expense, remove any physical additions and improvements, repair any alterations, and restore the Premises to the condition existing at the Commencement Date, normal wear excepted.

2. *Abatement.* Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.

3. *Release of Claims/Subrogation.* Landlord and Tenant release each other from any claim, by subrogation or otherwise, for any damage to the Premises, or personal property within the Premises, by reason of fire or the elements, regardless of cause, including negligence of Landlord or Tenant. This release applies only to the extent that it is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.

4. *Notice to Insurance Companies.* Landlord and Tenant will notify the issuing insurance companies of the release set forth in the preceding paragraph and will have the insurance policies endorsed, if necessary, to prevent invalidation of the insurance coverage.

5. *Early Termination by Either Party.* Either party to this agreement can, with or without cause, and with six (6) months written notice, terminate this agreement. In the event of a termination by Landlord, Tenant's pro rata share of monies paid for the rental year shall be abated.

6. *Condemnation/Substantial or Partial Taking*

- a. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.
- b. Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

7. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within thirty

days after written notice.

8. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to, after default, to terminate this lease.

9. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent, (b) abandoning or vacating a substantial portion of the Premises, and (c) failing to comply within ten days after written notice with any provision of this lease.

10. *Default by Tenant/Landlord's Remedies.* Landlord's remedies for Tenant's default are to (a) enter and take possession of the Premises, after which Landlord may relet the Premises on behalf of Tenant and receive the Rent directly by reason of the reletting, and Tenant agrees to reimburse Landlord for any expenditures made in order to relet; (b) enter the Premises and perform Tenant's obligations; and (c) terminate this lease by written notice and sue for damages. Landlord may enter and take possession of the Premises by self-help, and may lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

12. *Default/Waiver/Mitigation.* It is not a waiver of default if the nondefaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by law. Landlord and Tenant have a duty to mitigate damages.

13. *Holdover.* If Tenant does not vacate the Premises following termination of this lease, Tenant will become a tenant at will and must vacate the Premises on receipt of notice from Landlord. No holding over by Tenant, whether with or without the consent of Landlord, will extend the Term.

14. *Alternative Dispute Resolution.* Landlord and Tenant agree to mediate in good faith before filing a suit for damages.

15. *Attorney's Fees.* If either party retains an attorney to enforce this lease, the party prevailing in litigation is entitled to recover reasonable attorney's fees and court and other costs.

16. *Venue.* Venue is in the county in which the Premises are located.

17. *Entire Agreement.* This lease, together with the attached exhibits and riders, is the entire agreement of the parties, and there are no oral representations, warranties, agreements, or promises pertaining to this lease or to any expressly mentioned exhibits and riders not incorporated in

writing in this lease.

18. *Amendment of Lease.* This lease may be amended only by an instrument in writing signed by Landlord and Tenant.

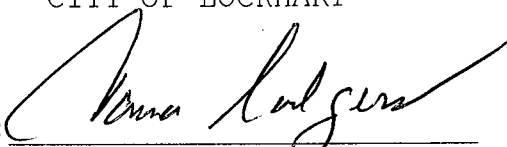
19. *Limitation of Warranties.* THERE ARE NO IMPLIED WARRANTIES OF MERCHANTABILITY, OF FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND ARISING OUT OF THIS LEASE, AND THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY STATED IN THIS LEASE.

20. *Notices.* Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

21. *Abandoned Property.* Landlord may retain, destroy, or dispose of any property left on the Premises at the end of the Term.

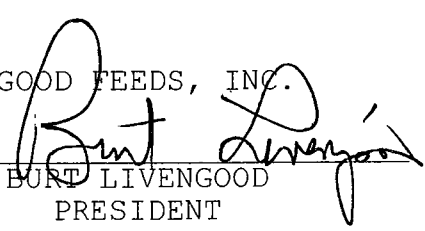
CITY OF LOCKHART

BY:


Vance Rodgers
CITY MANAGER

LIVENGOOD FEEDS, INC.

BY:


BURT LIVENGOOD
PRESIDENT

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action regarding Ordinance 2023-10 of the City Council of the City of Lockhart, Texas establishing a special seniority pay for newly hired police officers with prior full-time paid law enforcement experience and setting forth criteria for the pay; providing for severability; providing for publication and providing an effective date.

ORIGINATING DEPARTMENT AND CONTACT: Police - Gary Williamson

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The police department is seeking approval of an ordinance allowing special seniority pay, also known as lateral entry pay, when recruiting experienced police officers. Lateral entry pay would allow the police department to start an officer with previous law enforcement experience at a higher rate of pay than basic entry pay reserved for an officer with no previous experience. Lateral entry pay does not alter the rank an applicant would start at, for example, police officer, sergeant, lieutenant. Newly hired applicants start at the rank of police officer, regardless of prior law enforcement experience. However, the lateral entry pay would authorize paying the officer at a higher rate on the police officer step pay plan.

Currently, law enforcement agencies around the country are experiencing unprecedented staffing vacancies. Lateral entry pay is a common recruitment tool used by cities across the state, including the cities of Kyle, San Marcos, New Braunfels, Seguin and Taylor as well as Hays County.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

LIST OF SUPPORTING DOCUMENTS: ORD 2023-10 Police Lateral Entry Pay

ORDINANCE NO. 2023-10

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS ESTABLISHING A SPECIAL SENIORITY PAY FOR HIRING POLICE OFFICERS WITH PRIOR FULL-TIME PAID LAW ENFORCEMENT EXPERIENCE AND SETTING FORTH CRITERIA FOR THE PAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart has adopted Chapter 143 of the Local Government Code, or “Civil Service;” and

WHEREAS, the City Council has the authority as the “Governing Body,” under Chapter 143 and specifically §143 Subchapter C - Compensation, to set extra pay types by ordinance as defined in that section for classified police positions; and

WHEREAS, the City of Lockhart recognizes that recruiting persons with prior full time paid law enforcement experience is an asset to the City of Lockhart Police Department and to the citizens; and

WHEREAS, authorizing extra pays in addition to the City’s pay schedule helps it remain competitive in the market for recruitment and retention efforts; and

WHEREAS, the City Council adopts the Lockhart Police Department Step Plan Pay Scale and all applicable extra pay types annually as part of the City’s Budget, and this ordinance is intended to explicate and supplement the Step Plan Pay Scale ordinance;

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

SECTION 1. That the City Council hereby finds the statements made in the preamble are true and correct.

SECTION 2. That the City Council authorizes the types of extra pay for Police Officers who possess prior law enforcement experience as defined in Section 3 herein.

SECTION 3. Eligible pay types are authorized by City Council below for Police Officers:

1. Seniority Pay - Lateral Entry (prior Police Experience):

- a. Seniority Pay is authorized by Texas Local Government Code § 143.041(c)(1).
- b. Applicants for police officer positions shall be eligible for Special Seniority pay for lateral entry if they have the required years of continuous service as a paid, full-time certified peace officer. “Certified peace officer experience” means they had the authority to enforce laws, investigate crimes, make arrests, respond to calls for service, carry a firearm, and use discretion as part of their assigned duties. A lateral entry

applicant shall not have more than a three (3)-year break in service from the time the applicant left the law enforcement agency and the time the applicant applied with the Lockhart Police Department.

c. Starting Pay:

- i. To be considered for a “Lateral Entry Officer Position,” an officer must possess at least two (2) years of paid, continuous full time service as a peace officer in a law enforcement agency which serves a population area of 3,000 or more, including municipalities or a county or subdivision of a county.
- ii. A Lateral Entry Officer shall be placed at the step in the police pay schedule commensurate with their qualified complete years of experience up to, but not exceeding, the pay step reflecting ten (10) years of service.
- iii. Previous Lockhart Police Officers who are re-appointed as Police Officers shall be placed in the same salary step they held at the time of their resignation unless the reappointed officer remained continuously employed as a Police Officer during the period of separation from the Lockhart Police Department. In that event, the reappointed police officer will be treated as a Lateral Entry Officer for purposes of step pay placement.
- iv. It is the intent of the City Council that, as of the date of this ordinance, any LPD officer who is working at the Lockhart Police Department will be moved to the pay step reflecting that officer’s prior years of law enforcement experience, in the same manner as a newly hired Lateral Entry Officer would be.

d. Departmental Seniority Impact: The Lateral Entry Program described in this Ordinance is for seniority pay purposes only to determine placement into the existing pay schedule. Actual work experience in another law enforcement agency will not be considered for promotional eligibility requirements, departmental seniority or transfers. Departmental seniority for lateral entry officers and re-appointed officers will begin on their most recent Civil Service hire date with the Lockhart Police Department.

e. Requirements: Lateral Entry Officers are held to the same standards hiring standards as set forth by the City of Lockhart’s Civil Service Commission Local Rules. The Chief of Police shall make the final determination as to whether an applicant meets the criteria for credit for prior experience and/or pay step for a Lateral Entry Officer and the Chief’s decision shall be final and non-appealable to the Civil Service Commission or to any court.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

SECTION 5. The effective date of this ordinance is and will be effective until repealed by the City Council or amended by a subsequent Ordinance.

PASSED, APPROVED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ON THIS THE 6th DAY OF JUNE, 2023 .

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider Resolution 2023-07 amending City-owned hangar rental rates for seventeen (17) T-hangars and six (6) clear span hangars.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: In 2000, the City constructed seventeen T-hangars and six clear span hangars at the Lockhart Municipal Airport. Rates for the City-owned hangars were adopted in the year 2000 and amended in 2001 and 2005. Since the construction of the hangars, the cost to build and maintain hangars has increased significantly. Currently all hangars are occupied and there are approximately 75 individuals on the waiting list.

On May 23rd, the Lockhart Airport Advisory Board discussed the current rate structure for the hangars and compared the municipal airport's rates to several peer airports. During the board meeting, the Airport Advisory Board made a recommendation to raise the rates by \$100 per month in each category and simplify the rate structure by only having a month-to-month rate. This rate increase would increase revenues to \$102,900 annually, a \$27,600 increase. Revenues from the City-owned hangars are placed in the Airport Fund. This fund is used to fund the airport department, airport maintenance, capital projects, and can be used as local matches for grant projects.

The new rates, if approved, would become effective immediately. Current T-hanger occupants will be notified by mail during June 2023 of the increase which would be reflected in the July 2023 rental fee.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: September 20, 2005 - Last hangar rates adjustment

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION: The Airport Advisory Board unanimously recommend approval of the proposed hangar rental rates found in Resolution 2023-07.

STAFF RECOMMENDATION/REQUESTED MOTION: Staff recommends approval of the amended hangar rates as presented.

LIST OF SUPPORTING DOCUMENTS: HANGER RATES RESOLUTION 2023-07, Hangar Rates 2023

RESOLUTION 2023-07

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART,
TEXAS, AMENDING RENTAL RATES FOR SEVENTEEN (17) TEE
AIRCRAFT HANGARS AND SIX (6) CLEAR SPAN AIRCRAFT HANGARS
RECENTLY CONSTRUCTED AT THE LOCKHART MUNICIPAL
AIRPORT**

WHEREAS, the City Council wishes to amend rental rates for City owned aircraft hangar rates located at the Lockhart Municipal Airport help meet the financial responsibilities of the airport;

WHEREAS, the City Council recognizes that aircraft hangar rental rates need to be adjusted to be comparable with other similar facilities within the area;

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

The City Council of the City of Lockhart, Texas, hereby sets new aircraft hangar rental rates for the current seventeen (17) tee hangers and six (6) clear span hangars as follows:

<u>Hangar Type</u>	<u>Rental Rate Type</u>	<u>Monthly Rate</u>
Tee-Hangar	Month to Month	\$ 350
Corner Tee-Hangar	Month to Month	\$ 375
Clear Span Hangar	Month to Month	\$ 425

PASSED, APPROVED, and ADOPTED this the _____ day of June 2023.

CITY OF LOCKHART

Lew White
Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon
Interim City Secretary

Monte Akers
City Attorney

CITY-OWNED HANGARS RATES

- The City owns 17 T-Hangars and 6 Clear-Span Hangars at the Lockhart Municipal Airport.
- The T- Hangars are 42' x 30' and the Clear-Span (Box) Hangars are 45' x 41'.
- The City-Owned Hangars were constructed in the year 2000. All debt has been paid off regarding the hangar construction.
- Hangar rates were adopted by Resolution in 2000. The last rate adjustment for the hangars was in 2005.
- Rental of the hangars includes electrical service, which is covered by the rental fee.
- There is currently an estimated 6-year waiting list for a City-Owned Hangar vacancy. Other Central-Texas municipal airports have similar waitlist.

RESOLUTION 05-14

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART,
TEXAS, AMENDING RENTAL RATES FOR SEVENTEEN (17) TEE
AIRCRAFT HANGERS AND SIX (6) CLEAR SPAN AIRCRAFT HANGERS
AT THE LOCKHART MUNICIPAL AIRPORT**

WHEREAS, the City Council has provided funding to construct seventeen (17) aircraft tee-hangers and six (6) aircraft clear span hangers;

WHEREAS, the City Council approved financing of the construction of these newly constructed aircraft hangers;

WHEREAS, aircraft rental rates have not be adjusted since 2001; and

WHEREAS, the City Council wishes to set new rental rates for these aircraft hangers to help meet finance payment requirements;

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

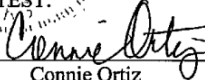
The City Council of the City of Lockhart, Texas, hereby sets aircraft hanger rental rates for the current seventeen (17) tee hangers and six (6) clear span hangers as follows:

<u>Hanger Type</u>	<u>Rental Rate Type</u>	<u>Monthly Rate</u>	<u>Daily Rate</u>
Tee-Hanger	Month to Month	\$ 250	\$ 10
	One Year	\$ 225	\$ 10
	Two Years	\$ 200	\$ 10
Corner Tee- Hanger	Month to Month	\$ 275	\$ 10
	One Year	\$ 250	\$ 10
	Two Years	\$ 225	\$ 10
Clear Span Hanger	Month to Month	\$ 325	\$ 15
	One Year	\$ 300	\$ 15
	Two Years	\$ 275	\$ 15

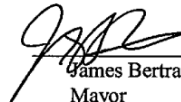
New rates to be effective as current lease contracts allow.

PASSED, APPROVED, and ADOPTED this the 20 day of September , 2005.

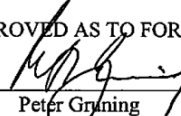


ATTEST:

Connie Ortiz
City Secretary

CITY OF LOCKHART


James Bertram
Mayor

APPROVED AS TO FORM:


Peter Gruning
City Attorney

2023 CITY-OWNED HANGAR PRICE COMPARISON

Municipality/County	Monthly Rates
LOCKHART	<u>\$250 / \$325</u>
SMITHVILLE	<u>\$375</u>
MCGREGOR	<u>\$150 / \$295 –Currently in the process of conducting a rate comparison</u>
GEORGETOWN	<u>\$325 / \$925</u>
BURNET	<u>\$275</u>
LAMPASAS	<u>\$125 / \$200</u>
BOERNE	<u>\$295 / \$695</u>
SAN MARCOS	<u>\$300 / \$350</u>
TAYLOR	<u>\$184 / \$518 –Prices increased on 5/1/2023; lower cost hangars are old and do not have electric doors.</u>
LA GRANGE	<u>\$275 / \$600 -Prices increased on 1/1/2023</u>
GONZALES	<u>\$175 / \$300</u>

HANGAR RATE REVENUE PRICE COMPARISON (BOARD RECOMMENDATIONS)

Lockhart Municipal Airport	Hangar Rate(s)	Monthly/Annual Collected
Current Rates	\$250 / \$275 / \$325	\$6,275 / \$75,300
Recommended Rates	\$350 / \$375 / \$425	\$8,575 / \$102,900

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action to consider approval of a Master Services Agreement between the City of Lockhart and M & S Engineering, LLC for electric system capital projects.

ORIGINATING DEPARTMENT AND CONTACT: Electric - Bobby Leos

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The City's electric utility is a municipally owned and operated retail distribution system since 1928. The service area is approximately 8 square miles with approximately 79 miles of overhead and underground distribution lines.

Historically, LCRA is engaged every 5 years to prepare a system analysis to guide the development of the distribution system and prepare a 5 year schedule to correct anticipated problems. Twelve (12) projects are identified in FY 23-27 with an estimated cost of approximately \$2 million. The actual projected costs are determined after project design.

Additionally, LCRA now no longer makes available to the customer cities project design services. Consequently, it benefits Lockhart to add another power utility engineering firm to assist us in planning for growth and meeting the anticipated design schedules for capital improvements.

M & S Engineering is a multi-service utility engineering firm headquartered in Spring Branch, Texas with 7 offices in Texas. M & S has a solid reputation in serving municipal owned utilities (MOU's) and electric cooperatives in Texas.

PROJECT SCHEDULE (if applicable): If approved, M & S will design 2 system rehab projects: 5 A - Willlow Street (between Blanco and Pecos) and 5 B - Pecos Street (from China to Ash).

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Electric Superintendent recommends approval of Master Service Agreement with M & S.

LIST OF SUPPORTING DOCUMENTS: M & S Master Services Agreement, M&S Engineering

M&S ENGINEERING, LLC

MASTER SERVICES AGREEMENT BETWEEN OWNER AND ENGINEER

This Master Services Agreement Between Owner and Engineer (the “Agreement”), effective the ____ day of _____ 202__ (“Effective Date”) is entered into by and between M&S Engineering, LLC (“Engineer” or “M&S”) and City of Lockhart (“City” or “Owner”). M&S and Owner shall collectively be referred to herein as the “Parties.”

WHEREAS, Owner desires M&S to provide engineering services on an as needed and ongoing basis, and may, but is not obligated to, request M&S to provide engineering services (“Services”) during the term of this Agreement;

WHEREAS, M&S is willing to provide Services to Owner and agrees to consider each opportunity to perform Services requested by Owner;

WHEREAS, if M&S agrees to perform the Services requested by Owner, the rights and obligations of the Parties with respect to each “Project” shall be governed by this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. CONTRACT DOCUMENTS:

- A. The following items are deemed to be “**Contract Documents**” and are incorporated by reference into this Agreement:
 - 1. This Agreement including all Annexes and Exhibits hereto;
 - 2. Exhibit A, Rate Sheet; and
 - 3. Exhibit B, Insurance.
- B. In the event of a conflict between the provisions of this Agreement and the exhibits, the provisions contained in the exhibits shall control.

2. DEFINITIONS:

- A. Contractor—Any person or entity (not including the Engineer, its employees, agents, representatives, subcontractors, and subconsultants), performing or supporting construction activities relating to the Project, including but not limited to contractors, subcontractors, suppliers, Owner's work forces, utility companies, construction managers, testing firms, shippers, and truckers, and the employees, agents, and representatives of any or all of them.

3. GENERAL AGREEMENT:

- A. Once Engineer has accepted a request to perform Services for a Project, Engineer shall provide the Services specified by Owner. The Services may be described or specified in the form of a written proposal, a purchase order, an electronic request by

email or text message, or orally. Owner shall pay Engineer for its Services as set forth below.

- B. M&S shall complete the Services within the time period agreed upon between the Parties. If no specific time for completion is agreed upon, Engineer shall complete the Services within a reasonable time. If Owner seeks to change such periods of time or dates, or through no fault of Engineer the orderly and continuous progress of Engineer's performance of the Services is delayed, impaired or suspended for any reason, then the time for completion of the Services and the rates and amounts of Engineer's compensation shall increase according to the applicable rate schedules in Exhibit "A", as estimated in writing by M&S and as approved by Owner, which approval shall not be unreasonably withheld.

4. OWNER'S RESPONSIBILITIES:

- A. Owner shall provide Engineer with existing Project-related information and data in Owner's possession and needed by Engineer for performance of Engineer's Services. Owner will advise Engineer of Project-related information and data known to Owner but not in Owner's possession. Engineer may use and rely upon Owner-furnished information and data in performing its Services, subject to any express limitations applicable to the furnished items. Following Engineer's assessment of initially-available Project information and data, and upon Engineer's request, Owner shall obtain, furnish, or otherwise make available (if necessary through retention of specialists or consultants) such additional Project-related information and data as is reasonably required to enable Engineer to complete its Services; or, with consent of Engineer, Owner may authorize the Engineer to obtain or provide all or part of such additional information and data as additional Services for which M&S shall be compensated in accordance with the Rate Sheet, attached as Exhibit A.
- B. Owner shall provide necessary direction and make decisions, including prompt review of Engineer's submittals, and carry out its other responsibilities in a timely manner so as not to delay Engineer's performance. Owner shall give prompt notice to Engineer whenever Owner observes or otherwise becomes aware of (1) any relevant, material defect or nonconformance in Engineer's Services, or (2) any development that affects the scope or time of performance of Engineer's Services.

5. INVOICES AND PAYMENTS:

- A. M&S shall prepare and submit invoices to Owner in accordance with its standard invoicing practices either on a monthly basis in accordance with the Rate Sheet or pursuant to a lump sum fee proposal. Invoices are due and payable within 30 days of receipt. If Owner disputes an invoice, either as to amount or entitlement, then Owner shall promptly advise Engineer in writing of the specific basis for doing so, may withhold only the disputed amount, and must pay the undisputed portion.
- B. Failure to Pay: If Owner fails to make any payment due Engineer within 30 days after receipt of Engineer's invoice (the "Due Date"), Owner shall owe interest on the past due amount at the rate of 1.0% per month (or the maximum rate of interest permitted

by law, if less) commencing on the Due Date. In addition, Engineer may suspend Services under this Agreement until Engineer has been paid in full all amounts due, including interest, and in such case, Owner waives any and all claims against Engineer for any such suspension. If any payment due Engineer remains unpaid after forty-five (45) days, Engineer may terminate the Agreement for cause pursuant to Paragraph 6(A).

- C. Reimbursable Expenses: Engineer is entitled to reimbursement of expenses in accordance with the Rate Sheet.

6. TERMINATION:

A. Termination for Cause.

1. Either Party may terminate the Agreement for cause upon 30 days written notice of default ("Termination Notice") that identifies the nature of the default. This Agreement will not terminate if the Party receiving the Termination Notice begins, within seven (7) days of receipt of the Termination Notice, to cure the default and completes the cure within no more than thirty (30) days of receipt of the Termination Notice.
2. Engineer may immediately terminate this Agreement for cause: (a) if Owner demands that Engineer furnish or perform Services contrary to Engineer's responsibilities as a licensed professional; (b) if Engineer's Services for the Project are delayed or suspended for more than ninety (90) days for reasons beyond Engineer's control; (c) if payment due Engineer remains unpaid for forty five (45) days; or (d) as the result of the presence at the Project site of undisclosed environmental hazards.
3. Engineer will have no liability to Owner on account of any termination by Engineer for cause.

- B. Termination for Convenience: Owner may terminate this Agreement for convenience, effective upon Engineer's receipt of notice from Owner.

- C. Payments Upon Termination: In the event of a termination by either Party, Engineer will be entitled to invoice Owner and to receive full payment for all Services performed or furnished in accordance with this Agreement, and to reimbursement of expenses incurred through the effective date of termination. Upon making such payment, Owner will have the limited right to the use of all deliverable Project documents, whether complete or not, subject to the provisions of Paragraph 9(F), at Owner's sole risk.

1. If Owner has terminated the Agreement for cause and disputes Engineer's entitlement to compensation for services and reimbursement of expenses, then Engineer's entitlement to payment and Owner's limited right to use of the deliverable documents will be resolved in accordance with the dispute resolution provisions of this Agreement or as otherwise agreed in writing.

7. INDEMNIFICATION, MUTUAL WAIVER AND LIMITATION OF LIABILITY:

- A. INDEMNIFICATION BY ENGINEER: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, ENGINEER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS OWNER, AND OWNER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES, FROM LOSSES, DAMAGES, AND JUDGMENTS ARISING FROM THIRD-PARTY CLAIMS OR ACTIONS RELATING TO THE PROJECT, PROVIDED THAT ANY SUCH CLAIM, ACTION, LOSS, DAMAGES, OR JUDGMENT IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE, OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING THE LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT CAUSED BY ANY NEGLIGENT ACT OR OMISSION OF ENGINEER OR ENGINEER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, OR ENGINEER'S SUBCONTRACTORS. THE MAXIMUM AMOUNT OF INDEMNIFIABLE LOSSES WHICH MAY BE RECOVERED BY OWNER FROM ENGINEER UNDER THIS SECTION 7(A) SHALL NOT EXCEED THE GREATER OF: (1) THE TOTAL AMOUNT OF COMPENSATION RECEIVED BY ENGINEER PURSUANT TO THIS AGREEMENT FOR THE PROJECT AND (2) THE AMOUNT COVERED BY INSURANCE PROVIDED BY ENGINEER.**
- B. INDEMNIFICATION BY OWNER: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, OWNER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ENGINEER, AND ENGINEER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, AND EMPLOYEES, FROM LOSSES, DAMAGES, AND JUDGMENTS ARISING FROM THIRD-PARTY CLAIMS OR ACTIONS RELATING TO THE PROJECT, PROVIDED THAT ANY SUCH CLAIM, ACTION, LOSS, DAMAGES, OR JUDGMENT IS ATTRIBUTABLE TO BODILY INJURY, SICKNESS, DISEASE, OR DEATH, OR TO INJURY TO OR DESTRUCTION OF TANGIBLE PROPERTY (OTHER THAN THE WORK ITSELF), INCLUDING THE LOSS OF USE RESULTING THEREFROM, BUT ONLY TO THE EXTENT CAUSED BY ANY NEGLIGENT ACT OR OMISSION OF OWNER OR OWNER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, OR ENGINEER'S SUBCONTRACTORS.**
- C. ENVIRONMENTAL INDEMNIFICATION: TO THE FULLEST EXTENT PERMITTED BY LAWS AND REGULATIONS, OWNER SHALL INDEMNIFY AND HOLD HARMLESS ENGINEER, ITS SUBCONSULTANTS, ENGINEER'S SUBCONTRACTORS, AND THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS,**

EMPLOYEES, AND SUBCONSULTANTS FROM ALL CLAIMS, COSTS, LOSSES, DAMAGES, ACTIONS, AND JUDGMENTS (INCLUDING REASONABLE CONSULTANTS' AND ATTORNEY'S FEES AND EXPENSES) CAUSED BY, ARISING OUT OF, RELATING TO, OR RESULTING FROM ANY ENVIRONMENTAL CONDITION AT, ON, OR UNDER THE SITE.

- D. WAIVER OF DAMAGES; LIMITATION OF LIABILITY: TO THE FULLEST EXTENT PERMITTED BY LAW, OWNER AND ENGINEER (1) WAIVE AGAINST EACH OTHER, AND THE OTHER'S OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, SUBCONSULTANTS, AND INSURERS, ANY AND ALL CLAIMS FOR OR ENTITLEMENT TO SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ARISING OUT OF, RESULTING FROM, OR IN ANY WAY RELATED TO THIS AGREEMENT OR ANY PROJECT, FROM ANY CAUSE OR CAUSES, AND AGREE THAT ENGINEER'S TOTAL LIABILITY TO OWNER UNDER THIS AGREEMENT SHALL NOT EXCEED THE GREATER OF: (1) THE TOTAL AMOUNT OF COMPENSATION RECEIVED BY ENGINEER PURSUANT TO THIS AGREEMENT FOR THE PROJECT AND (2) THE AMOUNT COVERED BY INSURANCE PROVIDED BY ENGINEER.**

8. INSURANCE:

- A. Engineer shall procure and maintain insurance as set forth in Exhibit B.
- B. Additional Insureds: Engineer's commercial general liability, automobile liability, and umbrella or excess liability policies, must:
1. include and list as additional insureds Owner, and any individuals or entities identified as additional insureds in Exhibit B;
 2. include coverage for the respective officers, directors, members, partners, and employees of all such additional insureds;
 3. afford primary coverage to these additional insureds for all claims covered thereby (including as applicable those arising from both ongoing and completed operations); and
 4. not seek contribution from insurance maintained by the additional insured.
- C. Owner shall procure and maintain insurance as set forth in Exhibit B.
- D. Owner shall require Contractors to purchase and maintain policies of insurance covering workers' compensation, general liability, motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractors to cause Engineer, its Subconsultants, and Engineer's Subcontractors to be listed as additional insureds with respect to such liability insurance purchased and maintained by Contractors for the Project. Owner shall give Engineer access to any certificates of insurance and copies of endorsements and policies obtained by Owner from Contractors.

- E. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit B. Such certificates must be furnished prior to commencement of Engineer's Services and at renewals thereafter during the life of the Agreement.
- F. All construction contracts entered into by Owner with respect to the Project must require builder's risk or similar property insurance.
- G. All policies of property insurance relating to the Project, including but not limited to any builder's risk or similar policy, must provide for waiver of subrogation rights and contain provisions to the effect that in the event of payment of any loss or damage the insurers will have no rights of recovery against any insured thereunder or against Engineer, its Subconsultants, or Engineer's Subcontractors. Owner and Engineer waive all rights against each other, Contractor, Engineer's Subcontractors and Subconsultants, and the respective officers, directors, members, partners, employees, agents, consultants, and subcontractors of each and any of them, for all losses and damages caused by, arising out of, or resulting from any of the perils or causes of loss covered by any such builder's risk or similar policy and any other property insurance relating to the Project. Owner and Engineer shall take appropriate measures in other Project-related contracts to secure waivers of rights consistent with those set forth in this paragraph.
- H. All policies of insurance must contain a provision or endorsement that the coverage afforded will not be canceled, and that renewal will not be refused, until at least 10 days' prior written notice has been given to the primary insured. Upon receipt of such notice, the primary insured must promptly forward a copy of the notice to the other Party to this Agreement and replace the coverage being cancelled or reduced to conform to the requirements of this Agreement.
- I. At any time, Owner may request that Engineer, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit B. If so requested by Owner, and if commercially available, Engineer shall obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit B will be supplemented to incorporate these requirements.

9. GENERAL CONSIDERATIONS:

- A. The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the profession practicing under similar circumstances at the same time and in the same locality. **Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with any services performed or furnished by Engineer.** Subject to the foregoing standard of care, Engineer may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and the publishers of technical standards.
- B. Engineer shall not at any time supervise, direct, control, or have authority over any of Owner's Contractors' work, nor will Engineer have authority over or be

responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any Contractor, or their safety precautions and programs, for security or safety at the Project site, nor for any failure of a Contractor to comply with laws and regulations applicable to their work. Engineer shall not be responsible for the acts or omissions of Owner or its Contractors.

- C. Engineer neither guarantees the performance of any of Owner's Contractors nor assumes responsibility for any failure to furnish and perform their work.
- D. Engineer's opinions of probable construction cost (if any) will be based on Engineer's experience, qualifications, and general familiarity with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual construction cost will not vary from opinions of probable construction cost prepared by Engineer. If Owner requires greater assurance as to probable construction cost, then Owner agrees to obtain an independent cost estimate.
- E. Engineer shall not be responsible for any decision made regarding the construction contract requirements, or any application, interpretation, clarification, or modification of the construction contract documents.
- F. All documents prepared or furnished by Engineer are instruments of service, and Engineer retains an ownership and property interest (including the copyright and the right of reuse) in such documents, whether or not the Project is completed. Engineer grants Owner a limited license to use the deliverable documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment due and owing for all Services and any additional services relating to preparation of the deliverable documents, and subject to the following limitations:
 - 1. Owner acknowledges that such documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer;
 - 2. Any such use or reuse, or any modification of the documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and subconsultants;
 - 3. **OWNER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS ENGINEER AND ITS OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS, EMPLOYEES, AND SUBCONSULTANTS FROM ALL CLAIMS, DAMAGES, LOSSES, AND EXPENSES, INCLUDING ATTORNEYS' FEES, ARISING OUT OF OR RESULTING FROM ANY USE, REUSE, OR MODIFICATION OF THE DOCUMENTS WITHOUT**

**WRITTEN VERIFICATION, COMPLETION, OR ADAPTATION BY
ENGINEER; and**

4. Such limited license to Owner shall not create any rights in third parties.
- G. Owner and Engineer agree to transmit, and accept, Project-related correspondence, documents, text, data, drawings, information, and graphics, in electronic media or digital format, either directly, or through access to a secure Project website, in accordance with a mutually agreeable protocol.
- H. The Parties acknowledge that Engineer's Services do not include any services related to unknown or undisclosed environmental hazards. If Engineer or any other party encounters, uncovers, or reveals an unknown or undisclosed environmental hazard, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of Services on the portion of the Project affected thereby until such portion of the Project is no longer affected, or terminate this Agreement for cause if it is not practical to continue providing Services.
- I. Owner and Engineer agree to negotiate each dispute between them in good faith during the 30 days after notice of dispute. If negotiations are unsuccessful in resolving the dispute, then the dispute will be mediated by a third-party neutral selected jointly by the Parties. If mediation is unsuccessful, then the Parties may exercise their rights at law.
- J. This Agreement is to be governed by the laws of the state of Texas. The exclusive venue for all claims arising out of this Agreement or in any way related to the Services shall be in the state district courts of Caldwell County, Texas.
- K. Engineer's Services do not include: (1) serving as a "municipal advisor" for purposes of the registration requirements of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010) or the municipal advisor registration rules issued by the Securities and Exchange Commission; (2) advising Owner, or any municipal entity or other person or entity, regarding municipal financial products or the issuance of municipal securities, including advice with respect to the structure, timing, terms, or other similar matters concerning such products or issuances; (3) providing surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements; or (4) providing legal advice or representation.

10. GENERAL PROVISIONS:

- A. A waiver by either Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach thereof. All remedies, rights, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either Party.
- B. Neither Party may assign its rights hereunder in whole or in part without the prior written consent of the other, which consent will not be unreasonably withheld.

- C. Unless otherwise specified, all notices required to be given hereunder shall be given in writing, either by delivery, by registered mail, or by electronic mail (email) with confirmation of receipt:

If to Owner:

If to Engineer:

M&S Engineering, LLC
P. O. Box 970
6477 FM 311
Spring Branch, TX 78070
Attn: Jason Jones
jjones@msenengr.com

or such other address as may be hereafter designated in writing by either Party. Notice given by registered mail or delivery shall be deemed given on the date of confirmed receipt; notice given by electronic mail shall be deemed given upon confirmed receipt of such mail.

11. SUCCESSORS, ASSIGNS, AND BENEFICIARIES:

A. Successors and Assigns.

1. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by this Section 11, the assigns of Owner and Engineer) are hereby bound to the other Party to this Agreement and to the successors, executors, administrators, and legal representatives and permitted assignees of such other Party, in respect of all covenants, agreements, and obligations of this Agreement.
2. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, money that is due or may become due) in this Agreement without the written consent of the other Party, except to the extent that any assignment, subletting, or transfer is mandated by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
3. Beneficiaries: Unless expressly provided otherwise, nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Contractor, other third-party individual or entity, or to any surety

for or employee of any of them. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.

12. TOTAL AGREEMENT:

- A. This Agreement (including any expressly incorporated attachments) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date when signed.

Owner:

CITY OF LOCKHART

(name of organization)

By: _____

Date: _____

Name: _____
(typed or printed)

Title: _____
(typed or printed)

Engineer:

M&S ENGINEERING, LLC

By: _____

Date: _____

Name: Kyle Dicke

Title: Business Development

Exhibit A RATE SHEET

2023 Engineering Rate Schedule

The following rate schedule is in effect for the 2022 calendar year and will be reviewed annually for appropriate changes as may be required.

Labor Classification	Base Rate
Technician I	\$ 65.00
Technician II	\$ 70.00
Technician III	\$ 75.00
Technician IV	\$ 80.00
Project Technician I	\$ 85.00
Project Technician II	\$95.00
Project Technician III	\$100.00
Project Technician IV	\$105.00
Project Technician V	\$110.00
Senior Technician I	\$ 115.00
Senior Technician II	\$ 120.00
Senior Technician III	\$ 125.00
Senior Technician IV	\$ 130.00
Project Manager I	\$ 165.00
Project Manager II	\$ 175.00
Project Manager III	\$ 185.00
Project Manager IV	\$ 200.00
Project Manager V	\$ 215.00
Project Engineer I	\$ 150.00
Project Engineer II	\$ 160.00
Project Engineer III	\$ 165.00
Project Engineer IV	\$ 170.00
Project Engineer V	\$ 175.00
Administrative I	\$ 70.00
Administrative II	\$ 80.00
Administrative III	\$ 90.00

Labor Classification	Base Rate
Technical Specialist I	\$ 135.00
Technical Specialist II	\$ 145.00
Technical Specialist III	\$ 160.00
Technical Specialist IV	\$ 170.00
Graduate Engineer/SIT I	\$ 110.00
Graduate Engineer/SIT II	\$ 120.00
Graduate Engineer/SIT III	\$ 130.00
Graduate Engineer/SIT IV	\$ 140.00
CAD Operator I	\$ 75.00
CAD Operator II	\$ 85.00
Senior CAD Operator I	\$ 90.00
Senior CAD Operator II	\$ 100.00
Senior Engineer I/RPLS I	\$ 180.00
Senior Engineer II/RPLS II	\$ 185.00
Senior Engineer III/RPLS III	\$ 190.00
Senior Engineer IV/RPLS IV	\$ 195.00
Senior Engineer V/RPLS V	\$ 200.00
Principal Engineer I	\$ 210.00
Principal Engineer II	\$ 220.00
Principal Engineer III	\$ 225.00
1 Man Survey Crew	\$ 125.00
2 Man Survey Crew	\$ 175.00
3 Man Survey Crew	\$ 195.00
Software Level I ¹	\$ 10.00
Software Level II ²	\$ 20.00

¹ Includes AutoCAD, MicroStation, L-Pile, SAG10 and other common licensed software packages,

² Includes PLS-CADD, Bentley Systems, e-tap and other premium licensed software packages,

³ Rates are inclusive of all surveying equipment, including stakes, marking paints, and other consumable items required. Special request items such as T-posts, 36" Laths, concrete monuments, etc. will be billed on a cost plus 15% basis.

⁴ Overtime Rates shall be 1.35 times the base rate.

2023 Reimbursable & Miscellaneous Pricing

The following reimbursable schedule is in effect for the 2023 calendar year and will be reviewed annually for appropriate changes as may be required.

Deliverable/Printing Pricing Schedule

DESCRIPTION	COST
Small job books (1"to 1 1/2" binder)	\$25.00
Medium job books (2" to 2 1/2 " binder)	\$45.00
Large job books (3" and above binder)	\$65.00
Plots - "C" size (18x 24) Black & White	\$1.50
Plots - "C" size (18x 24) Color	\$2.50
Plots - "D" size (22X34) Black & White	\$2.50
Plots - "D" size (22X34) Color	\$3.50

*Any additional reimbursable items shall be billed at cost plus 15%.

- Shipping
 - All shipping of drawings, job books, and other deliverables will be invoiced based on actual cost plus 15%.

Additional Equipment

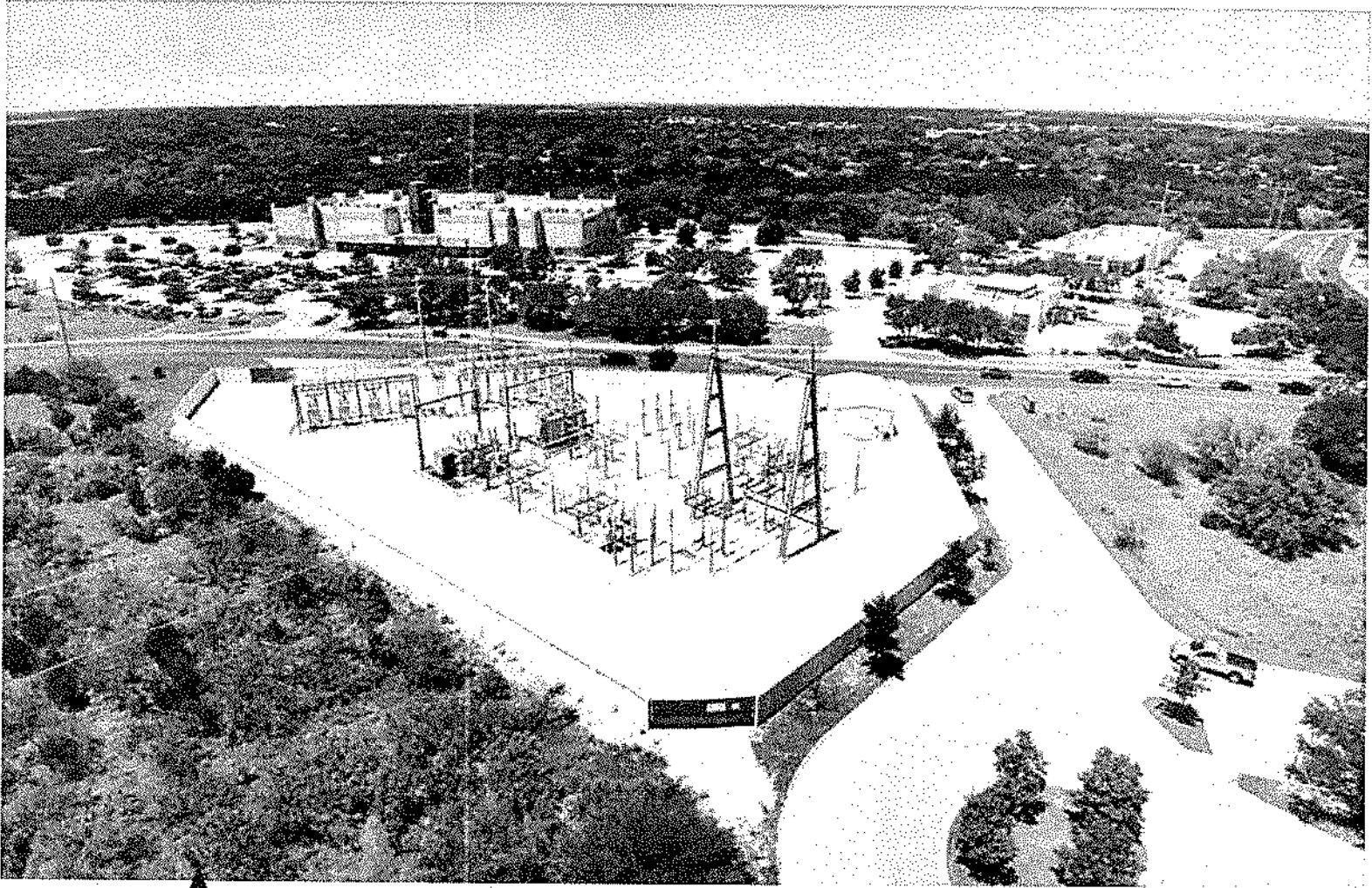
For site specific requirements that do not allow for access via 4x4 trucks, M&S will provide use of various all-terrain vehicles to facilitate field work. Reimbursement for usage of such equipment will be billed at the following rates:

Equipment	Rate
4 Wheeler	\$100/day
Utility Vehicle (Mule)	\$150/day
LiDAR Drone	\$750/day

Travel Reimbursement Rates

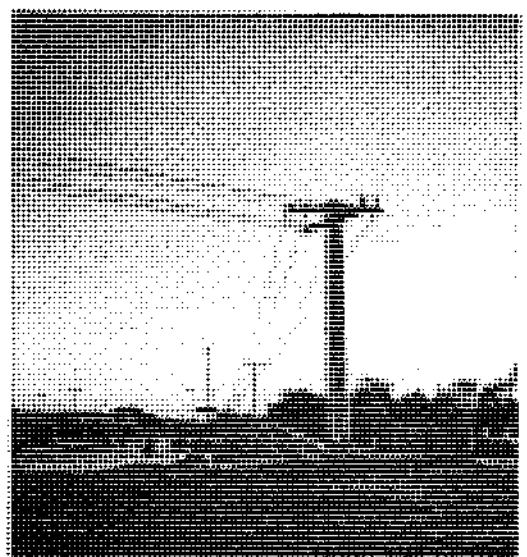
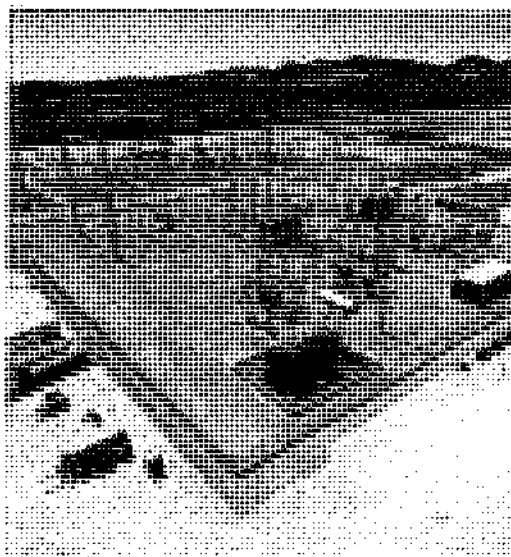
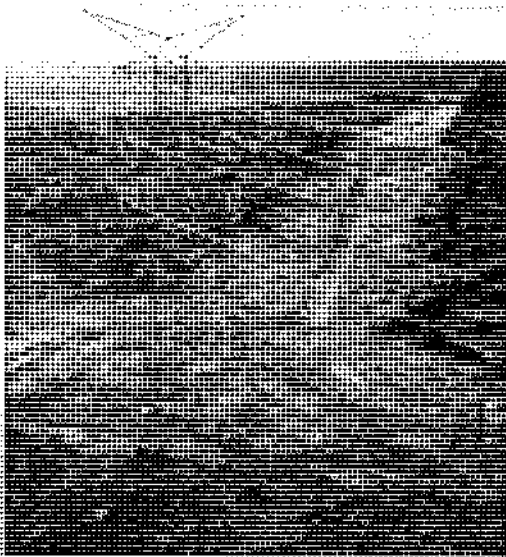
- Hotel charges for overnight accommodations will be invoiced based upon actual cost plus 15%.
- Meals for traveling personnel will be invoiced based upon actual cost plus 15%.
- Air Travel
 - Air travel will be invoiced based on actual cost plus 15%.
 - Approval
 - Air travel costs in excess of \$500 per individual will require prior approval by client personnel requesting travel.
 - Air travel less than \$500 per individual will be considered pre-approved by client personnel requesting travel.
- Rental Car
 - Auto rentals (including fuel) will be invoiced based upon actual cost plus 15%.
- Mileage
 - Vehicle mileage will be invoiced based upon current IRS standard rates (plus \$0.05 per mile for 4x4 vehicles)

Exhibit B
INSURANCE



M&S ENGINEERING

QUALITY. EXPERIENCE. RESPONSIVE.



WHAT TO EXPECT FROM US



RESPONSIVENESS

We try to operate as if we are in your office, down the hall. We drop what we are doing and take phone calls.



PRACTICAL

We take pride in delivering "do what makes sense" solutions that get the job done within the available budget.



COMMUNICATION

We ask questions and listen. We respond clearly and in a concise manner so there is no confusion.



QUALITY

We want our clients to be as proud of our work as we are.



TRUST

We offer personal and professional integrity, reliability, and confidence.



SCHEDULES

We treat schedules as if they were "etched in stone".



SCRUTINY

We anticipate questions and debate the pros and cons before taking a clear path on an issue so our solution can stand up to public scrutiny.



APPROACHABLE

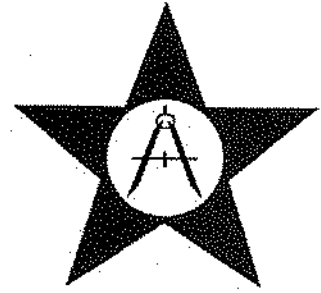
Candid communication helps us and our clients to reach understandings quickly and makes working together more enjoyable.



ADAPTABLE

It is our job to learn the nuances of each client and adapt, to get things done. We adapt to you, not the other way around.





Thank you for your interest in M&S Engineering; we appreciate the opportunity to assist with the engineering services needed for your upcoming projects. M&S Engineering is a multi-discipline engineering company that primarily provides distribution, transmission, and substation design. We offer many services and look forward to beginning a relationship to support your needs, in which ever path is most beneficial to you and your teams.

M&S has extensive experience in providing electric engineering services and could benefit your project teams by providing services in the areas of planning, system studies, and electrical design for distribution systems, transmission lines, and substations. In addition to providing engineering and planning services, we also offer topographical, boundary and right-of-way surveying and construction staking needs.

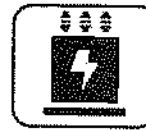
Enclosed you will find a brief overview of our company, our culture, abilities, and information on related projects which showcase our capabilities and experience with electrical engineering design and other applicable projects.



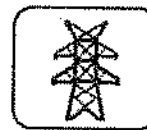
MULTI-SERVICE FIRM

M&S Engineering is a multi-service utility engineering firm with in-house expertise for the electric utility market. The primary focus for our business is (and has always been) the electric utility market and today more than **80 percent of our workload comes from utility clients.**

- Established in 1999
- Privately Held
- Headquartered in Spring Branch, Texas
- 7 offices in Texas
- Average Industry Experience 7.2 Yrs
- 280 Professionals
 - 16 Professional Engineers
 - 18 E.I.T.
 - 3 R.P.L.S.
 - 2 P.M.P.
 - 2 S.I.T.
- Average Tenure at M&S 4.1 Yrs



SUBSTATION



TRANSMISSION



DISTRIBUTION



WATER SYSTEM
ENGINEERING



M.E.P.
ENGINEERING



SURVEYING /
S.U.E.



EXPERIENCED & RESPONSIVE

M&S has a proven track record of efficient, quality execution of transmission line, and substation projects. Our experience with a variety of utility customers has led to a genuine understanding of the demands and service levels that are included in these relationships. **From planning to development, retrofit to "greenfield" our design team has the experience and the in-house capabilities to support your system's needs.**

M&S Engineering's design teams have also supported numerous EPC project teams in the utility and renewable power markets. These combined experiences have given us a unique understanding of best-practices, efficiency in design and constructibility insights. Through these efforts our design teams have become proficient at completing projects on time and under budget, often steering our clients to new cost saving measures.

FOCUSED ON RELATIONSHIPS

Our priority is to provide quality engineering services to our clients without the high cost or hassle that typically come from other firms. We take great care in understanding every client's unique culture and distinct set of needs in order to establish relaxed, comfortable, and approachable working relationships that result in **improved communication, better coordination, higher efficiencies and greater overall value.**



FLEXIBILITY & EFFICIENCY

The strength of the M&S team is in our flexibility and responsiveness. M&S has a proven track record of efficient, quality execution over a wide range of projects for both private and public sector entities. M&S's approach involves preparation of well thought out work plans, effective communication to the project team and stakeholders, efficient execution, and adaptation to meet the client's goal.



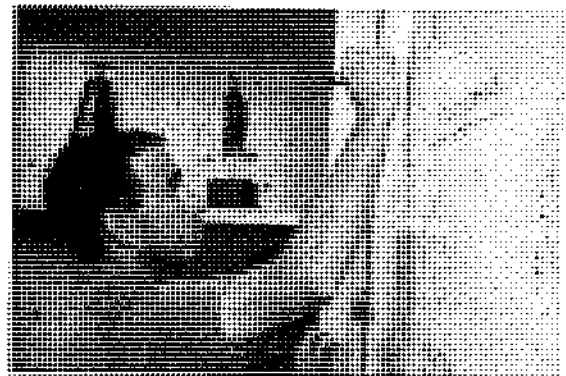
HANDS-ON EXPERTISE

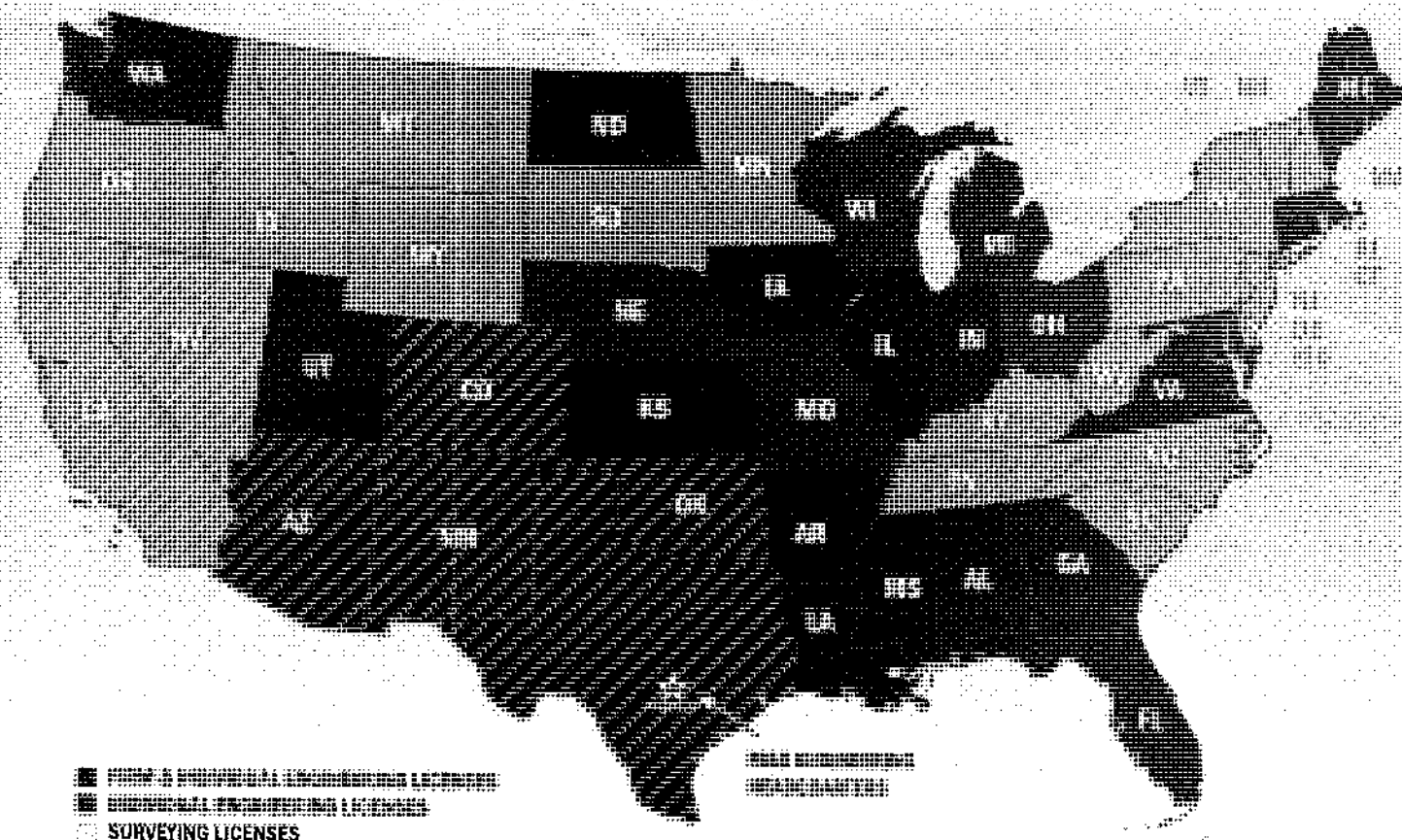
Technical ability and engineering skills are important to the success of any project, however, the execution, administration, and communication used to deliver the finished project are just as important, if not more. Our teams rely on their extensive experience with capital projects and truly understand that any delay or cost over-run in one portion of the project can have an enormous ripple effect and negatively impact overall success. To eliminate this, the M&S design team hand-picks staff who are well versed in both the details of the task at hand and the intangible understanding of the project beyond the pure design roles.

Project teams are made up of design engineers and technicians who are classically trained and licensed, as well as personnel who have served in the field with construction crews as inspectors, technicians, and project managers. This injects a unique sensibility in our team's make-up, which greatly improves the overall **practicality and constructability** of the design, therefore reducing the overall cost of the project.

EXTENSION OF YOUR TEAM

Many firms can provide the technical ability, but delivering the projects as an extension of the utility's teams is another story. From our ongoing and lasting relationships with utilities and contractors, we realize engineering design is only a fraction of the total effort involved in the successful execution of a project. We understand that much of the effort is associated with cost control, documentation, administrative, process specification and standards development and are often clerical in nature. The key to our success has been our unique ability to integrate our clients' internal business processes and incorporate their preferences, so that we can **get the job done** with results they want and expect.





HIGH VOLTAGE TRANSMISSION
(69KV - 500KV)



SUBSTATION & SWITCHYARD
(69KV - 500KV)



OH & UG DISTRIBUTION (600V - 35KV)



**PROJECT MANAGEMENT/CONTRACT
ADMINISTRATION**



**MECHANICAL/ELECTRICAL/PLUMBING
(MEP)**



WATER DISTRIBUTION SYSTEMS



SUBSURFACE UTILITY ENGINEERING (SUE)



SURVEYING





DISTRIBUTION ENGINEERING

LEAN ON US.

M&S Engineering's substation team is fully equipped to support the utility industry's increasing demand for electrical systems from 600v to 35kV. Our design teams include professional engineers, former linemen, inspectors, construction superintendents and project managers, infusing a practicality to design and enabling higher efficiencies throughout the course of the project.

DISTRIBUTION (600V-35kV) DESIGN

- Overhead and Underground Distribution Design
- Structure Design
- Field Staking
- Planning
- Pole Loading Analysis and Make Ready Design
- Foreign Attachment Inventory and GPS Mapping
- TxDOT and Railroad Permitting
- Fiber Routing and Design
- Construction Management and Post-Construction Inspection
- Utility Coordination
- Duct-Bank Design
- Routing



DISTRIBUTION TEAM



BILL NEWCOMER | DISTRIBUTION ENGINEERING MANAGER

Mr. Newcomer has over 40 years of experience working on electrical and distribution line design projects in the public and private sector. His experience includes preliminary routing studies, estimating, engineering, material procurement, project management and final project close out. His primary responsibility is to communicate with the client as much as needed to insure that the project is done right, on time, and on budget.



GARRETT ARMKE | DISTRIBUTION DESIGNER

Mr. Armke has more than 15 years of experience in the planning, design, staking, and project management of both overhead and underground electrical distribution systems. As a Senior Technician, he is responsible for the detailed design, layout, feasibility, and project management of distribution systems from inception and planning to ultimate construction. Garrett has experience serving as a Project Manager and has managed the overall design efforts and ultimate construction for utility distribution projects. Client experience includes municipally owned, cooperatively owned, and investor owned electric utilities, as well as privately owned electrical systems.



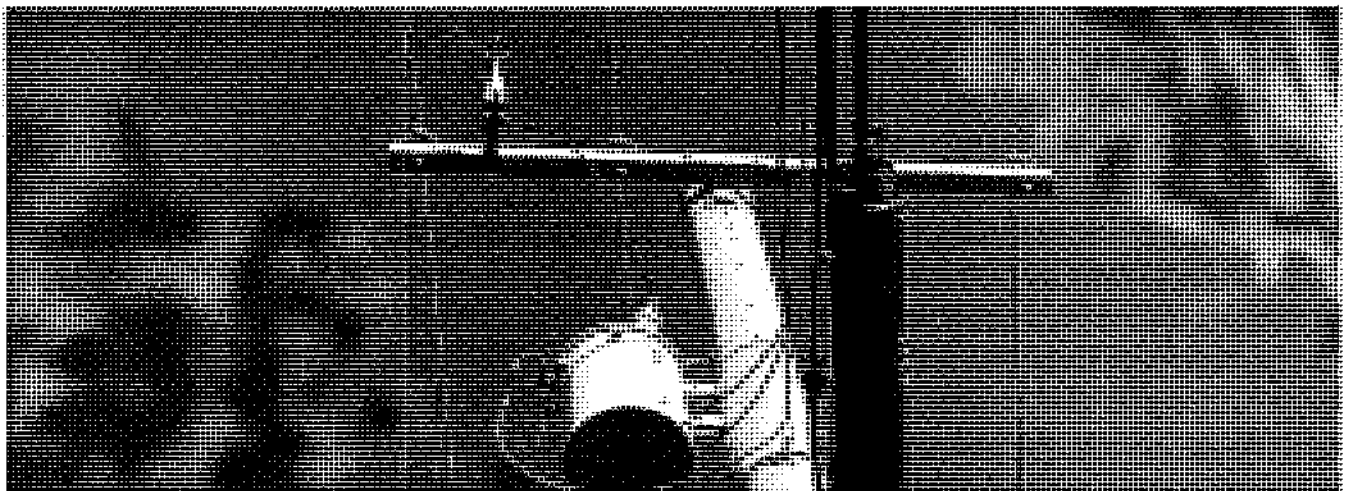
JOSH SCHINDLER | SENIOR DISTRIBUTION DESIGNER

Mr. Schindler has more than 10 years experience in planning, design, staking and project management of overhead and underground electrical distribution systems. He has served as a project manager and has managed the overall design efforts and construction for utility owned and privately owned distribution projects. In addition to his design expertise, Mr. Schindler is also knowledgeable in the project management, execution, funding and planning that accompanies large scale distribution and capital improvement projects.



MATHEW GALLITON | ALEDO DISTRIBUTION MANAGER

Mr. Galliton has over 19+ years of experience in transmission and distribution design. Mat's experience includes project planning, line design, material procurement, estimating, DOT projects, and preparation of preliminary drawings for a wide range of clients such including Investor-owned, municipally owned and cooperatively owned utilities. Mr. Galliton understands the nuanced differences within utilities and how their costing, budgeting and administration of projects vary. Mathew serves as the supervisor and manager of Aledo operations in the DFW area for M&S Engineering.



MUNICIPAL CLIENT REFERENCES

DISTRIBUTION



New Braunfels Utilities
GREGORY THOMAS, PE
gthomas@nbutexas.com
(830) 629-8953



Bryan Texas Utilities
SHAWNDR A GREEN-CURRY, PE
sgreen-curry@btutilities.com
(979) 821-5744



Floresville Electric Light & Power System
DREW POPE
drew.pope@felps.us
(830) 251-8482



It's real.

City of Seguin Utilities
CLARENCE SMITH
csmith@seguintexas.gov
(830) 433-1279



City of Burnet Utilities
ERIC BELAJ, PE
ebelaj@cityofburnet.com
(512) 715-3217

TRANSMISSION



Bryan Texas Utilities
CLAY LINDSTROM, PE
(979) 209-9799
clindstrom@btutilities.com



CPS Energy
RAMON HEARD, PE
(210) 416-9298
rheard@cpsenergy.com



Brazos Electric Cooperative
TIM HARTZ, PE
(254) 750-6761
thartz@brazoselectric.com



Oncor Electric Delivery
JEREMY HUTCHESON, PE
(817) 876-8013
michael.hutcheson@oncor.com



RES Group (Renewable Energy Systems)
KYLE SETTLE
(720) 509-8755
kyle.settle@res-group.com

SUBSTATION



Bryan Texas Utilities
CLAY LINDSTROM, PE
(979) 209-9799
clindstrom@btutilities.com



CPS Energy
BASILEO ROCHA, PE
(210) 422-3738
bdrocha@cpsenergy.com



Garland Power & Light
STEVE FOSTER
(972) 205-3470
sfooster@gpltexas.org



Oncor Electric Delivery
JEREMY HUTCHESON, PE
(817) 876-8013
michael.hutcheson@oncor.com



Pedernales Electric Cooperative
PAUL LOCHTE, PE
(830) 992-0981
paul.lochte@peci.com



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action to adopt a policy for Public Improvement Districts.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - Monte Akers,
David Fowler

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Creation of a Public Improvement District ("PID") is a method by which funding of improvements for the development of a defined area may be accomplished which ensures that the owners benefitted by the improvements bear the cost through "assessments." Caldwell County adopted a PID Policy in 2021, and the City is currently working with a developer who desires that the City create a PID for a large mixed use development. Note that what is presented to the Council is a "policy" rather than an ordinance or resolution. It is meant to provide guidance to developers or others considering or proposing a PID, as well as City staff, to ensure that the procedures for creating a PID are consistent, but which can be modified or adjusted by the City, if appropriate for a particular project, without amending the policy.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: Discussion only.

COMMITTEE/BOARD/COMMISSION ACTION: Discussion only.

STAFF RECOMMENDATION/REQUESTED MOTION: Adoption of the Policy.

LIST OF SUPPORTING DOCUMENTS: City of Lockhart Public Improvement District Policy,
Summary of PID Policy

CITY OF LOCKHART

PUBLIC IMPROVEMENT DISTRICT (PID) POLICY

OVERVIEW

Public Improvement Districts ("PIDs"), per the Texas Local Government Code Chapter 372 ("the code" or "PID Act"), provide the City of Lockhart ("the City") an economic development tool that permits the financing of qualified public improvement costs which confer a special benefit on a definable part of the City. Proceeds from bonds issued by a PID can finance capital costs and fund supplemental services to meet the community needs which could not otherwise be constructed or provided. The bonds issued by the City to fund the costs of eligible capital improvements and/or supplemental services are paid entirely by property owners within the PID who receive special benefits from the capital improvements or services. **A PID may only be used to pay for public improvements.**

A PID is comprised of properties, whose owners have petitioned the City to form a PID. The City Council establishes a PID by adoption of a resolution after a public hearing and filing of the resolution with the County within 7 days of adoption. Written notification of the public hearing is published and mailed to all property owners in the proposed PID. By petition, the owners pledge to pay an assessment in order to receive enhanced services and/or improvements within the District. The PID must demonstrate that it confers a benefit, not only to the properties within the district, but also to the "public" which includes the City.

The purpose of this PID policy is to outline the issues to be addressed by the owner of the taxable real property liable for assessment petitioning for creation of a PID ("Petitioner") before the City Council can support the establishment of a PID. The PID policy outlines such things as petition requirements, qualified costs, financing criteria, information disclosures to property owners, and the determination of annual plans, budgets, and assessments.

GENERAL

1. A PID may be created and utilized to construct qualified public improvements and/or reimburse a portion of the Developer's actual and documented costs required for public improvements to serve the development. Such incremental costs shall be associated with the construction of qualified public improvements.
2. PIDs must be self-sufficient and not require the City to incur any costs associated with the formation of the PID, bond issuance costs, PID administration or the construction of PID improvements. The Petition shall include a statement that the Petitioners shall arrange for any financing needed for the development of the PID.
3. PID petition signatures should reflect that a reasonable attempt was made to obtain the full support of the proposed PID by the majority of the property owners located within the

proposed PID. Priority will be given to proposed PIDs with the support of 100% of the landowners within a PID.

4. PID petitions will be more likely to be approved if the project includes one or more aspects of the following types of improvements:
 - a. Which generate economic development benefits to the City;
 - b. Which provide for improvements in the public right of way (e.g., entryways, landscaping, fountains, specialty lighting, art, decorative and landscaped streets and sidewalks, bike lanes, multi-use trails, signage);
 - c. Which meet community needs (e.g., enhanced drainage improvements, land and infrastructure for re-irrigation of treated wastewater, off-street public parking facilities, pedestrian connectivity, wastewater and/or water system improvements, which create new or enhanced public roads and streets and which enhance and create opportunities to redevelop older or underutilized areas of the City);
 - d. Which exceed development requirements of the City; in particular enhanced architectural standards, enhanced landscaping, lighting which preserves dark skies, and which provide for a superior design of lots or buildings;
 - e. Which provide for increased recreation and open space opportunities for public use;
 - f. Which protect and preserve natural amenities and environmental assets such as the lakes, trees, creeks, ponds, floodplains, slopes, hills, viewscapes, and wildlife habitats;
 - g. Which protect and preserve existing historical buildings, structures, features or places and preserve the rural and community amenities or features that further reflect the City's character would otherwise be of special benefit to the property users or community; and
 - h. Which are associated with property located within the city limits of the City of Lockhart.
5. A PID's budget shall include sufficient funds to pay for all costs, including the cost of establishing the PID, issuance of PID bonds, if any, as well as including funds for additional administrative and/or operational costs and management costs.
6. A Landowner's Agreement must be recorded in the Official Public Records of the County in which the PID is located which, among other things, will notify any prospective owner of the existence or proposal of special assessments on the property. All closing statements and sales contracts for lots must specify who is responsible for payment of any existing

PID assessment or a *pro rata* share thereof until such time as the PID assessment is paid in full.

7. Any requested adjustments or deviations from the terms of this Policy for a PID shall be clearly requested and explained (including a detailed description of the basis for such a request under Chapter 372 of the Texas Local Government Code) in the PID petition for that PID. Any adjustments or deviations granted are at the sole discretion of the City Council.
8. A PID must be identified as a PID with use of signage along the main entry/exits located at the boundaries of the PID. All signage shall be clearly visible to all motorists entering and exiting the PID.
9. Property owned by the City of Lockhart or that is intended to be conveyed or dedicated to the City and that is located in the boundaries of the PID shall not be subject to any assessment by the PID.
10. No PIDs will be allowed to be created that overlap the boundaries of another PID.
11. Annual Service and Assessment Plan updates, as required by Chapter 372 of the PID Act, shall be provided for if a PID is created in response to a petition.

PETITION REQUIREMENTS

1. In addition to the requirements of Texas Local Government Code §372.005(a) the petition must include the following: PID petitions shall include this additional note: "With respect to community property, the City may accept the signature of a spouse as a representation of both spouses that they support the creation or renewal of the PID absent a separate property agreement. *However, if City staff is made aware of any disagreement among owners of community property, those petitions will not be counted.*
2. Signatures for PID petitions must be gathered not more than six months preceding submittal of the PID Application, unless otherwise approved by the City.
3. PID petitions shall include this language: The City shall, upon reasonable prior written notice to the Developer and during normal business hours, have the right to audit and inspect the Developer's records, books, and all other relevant records related to amounts that may be reimbursed by the proceeds of any PID bonds. The Parties agree to maintain the appropriate confidentiality of such records, unless disclosure of such records and information shall be required by a court order, a lawfully issued subpoena, State Law, municipal ordinance, or at the direction of the Office of the Texas Attorney General.
4. All PID Agreements shall include Indemnification language for construction of public improvements as follows:

**DEVELOPER COVENANTS AND AGREES TO FULLY INDEMNIFY AND
HOLD HARMLESS, CITY (AND THEIR ELECTED OFFICIALS,**

EMPLOYEES, OFFICERS, DIRECTORS, AND REPRESENTATIVES), INDIVIDUALLY AND COLLECTIVELY, FROM AND AGAINST ANY AND ALL COSTS, CLAIMS, LIENS, DAMAGES, LOSSES, EXPENSES, FEES, FINES PENALTIES, PROCEEDINGS, ACTIONS, DEMANDS, CAUSES OF ACTION, LIABILITY AND SUITS OF ANY KIND AND NATURE BROUGHT BY ANY THIRD PARTY AND RELATING TO DEVELOPER'S CONSTRUCTION OF THE PUBLIC IMPROVEMENTS INCLUDING BUT NOT LIMITED TO, PERSONAL INJURY OR DEATH AND PROPERTY DAMAGE, MADE UPON CITY OR DIRECTLY OR INDIRECTLY ARISING OUT OF, RESULTING FROM OR RELATED TO DEVELOPER OR DEVELOPER'S CONTRACTORS' NEGLIGENCE, WILLFUL MISCONDUCT OR CRIMINAL CONDUCT IN ITS ACTIVITIES, INCLUDING ANY SUCH ACTS OR OMISSIONS OF DEVELOPER OR DEVELOPER'S CONTRACTORS, ANY AGENT, OFFICER, DIRECTOR, REPRESENTATIVE, EMPLOYEE, CONSULTANT OR SUBCONSULTANTS OF DEVELOPER OR DEVELOPER'S CONTRACTORS AND THEIR RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, DIRECTORS AND REPRESENTATIVES, ALL WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO CITY, UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW. THE PROVISIONS OF THIS INDEMNIFICATION ARE SOLELY FOR THE BENEFIT OF THE CITY AND ARE NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. DEVELOPER SHALL PROMPTLY ADVISE CITY IN WRITING OF ANY CLAIM OR DEMAND AGAINST CITY, RELATED TO OR ARISING OUT OF DEVELOPER OR DEVELOPER'S CONTRACTORS ACTIVITIES UNDER THIS AGREEMENT AND SHALL SEE TO THE INVESTIGATION AND DEFENSE OF SUCH CLAIM OR DEMAND AT THE DEVELOPER'S COST TO THE EXTENT REQUIRED UNDER THE INDEMNITY IN THIS PARAGRAPH. CITY SHALL HAVE THE RIGHT, AT THEIR OPTION AND AT THEIR OWN EXPENSE, TO PARTICIPATE IN SUCH DEFENSE WITHOUT RELIEVING DEVELOPER OF ANY OF ITS OBLIGATIONS UNDER THIS PARAGRAPH.

IT IS THE EXPRESS INTENT OF THIS SECTION THAT THE INDEMNITY PROVIDED TO THE CITY AND THE DEVELOPER SHALL SURVIVE THE TERMINATION AND / OR EXPIRATION OF THIS AGREEMENT AND SHALL BE BROADLY INTERPRETED AT ALL TIMES TO PROVIDE THE MAXIMUM INDEMNIFICATION OF THE CITY AND / OR THEIR OFFICERS, EMPLOYEES, REPRESENTATIVES AND ELECTED OFFICIALS PERMITTED BY LAW.

5. For a district to be established, a petition shall include the following:
 - a. Evidence that the petition's signatures meet the state law requirements, or the petition must be accompanied by a reasonable fee to cover the City's costs of signature

verification. If the proposed district is an expansion of an existing district, a petition for the new portion of the district must identify each subdivision, or portion thereof, within the proposed boundaries of the new district, and each subdivision or portion thereof that is not currently in an existing PID shall individually satisfy the requirements for a petition under Section 372.005 of the Texas Local Government Code. Subdivision has the meaning assigned by Section 232.021 of the Texas Local Government Code.

b. Map of the area, a legal description of the boundaries of the district for the legal notices and a "commonly known" description of the area to be included in the district.

c. Statement that the petitioners understand that the annual Service and Assessment Plan for the district is subject to review by City staff with final approval by the City Council.

d. A narrative description of the project and how it meets or exceeds the types of public improvements discussed in General (4).

DOCUMENTS AND INFORMATION REQUIRED IN CONJUNCTION WITH THE PETITION

The following issues must be addressed before the City Council will take action on a petition.

A non-refundable application fee as set in the Master Fee Schedule, or as set out in a Professional Services Reimbursement agreement between the City and Developer will be required with the filing of a petition to create a PID. This fee is regulatory in character and approximates the costs of evaluating the PID petition. In addition to the application fee, any other related City-required cost, limited to actual costs as are documented by the City, is the responsibility of the Developer.

1. A petition must include a current tax roll and a statement indicating the owners' support for the petition.
2. A copy of the Preliminary PID Finance Plan shall be submitted with the petition. This Finance Plan shall include at a minimum:
 - a. Targeted gross bond amount;
 - b. Estimated *ad valorem* revenue generated;
 - c. Annual assessment per unit;
 - d. Estimated number of bond issuances;
 - e. Proposed maturity dates for PID Bonds; and
 - f. Any other such supporting information related to the success of the PID.

3. A copy of a Project Feasibility Study which demonstrates the economic feasibility of the project and includes the following information:
 - a. An Assessment Revenue Pro forma for the proposed development costs of the PID;
 - b. A financial review of the development projections and absorption schedule;
 - c. Analysis of above describing the timing and amount PID assessment revenue which will be generated based upon varying levels of assessments; and
 - d. Comparison of the PID as built-out with other similar projects in the area that will not have an assessment.

DOCUMENTS AND INFORMATION REQUIRED PRIOR TO THE PUBLIC HEARING

In addition to the requirements of Section 372.009 of the Texas Local Government Code the following information shall be submitted for review by the City prior to the public hearing:

1. PID Financing Agreement between the City and the Developer. The PID Financing Agreement shall contain a section which clearly identifies the benefit of the PID to the affected property owners and to the City as a whole (i.e., public purpose) and also evidence of insurance;
2. Service and Assessment Plan. The Developer shall prepare and present an ongoing service plan which shall include an assessment plan (Service and Assessment Plan) to the City Council for review and approval. The plan must cover a period of at least five years and must define the annual indebtedness and projected costs of the PID improvements and the proposed assessments on the various classes of covered property under the plan. The Service and Assessment Plan shall include but is not limited to:
 - a. A description of the proposed method of assessment including the classes of covered property;
 - b. An apportionment of the costs between the PID and the City, if any;
 - c. A description of the management of the PID; and
 - d. If applicable, all City-owned land within the district.
3. Appraisal.

4. Proof that any liens on the Properties to be included in the District will be subordinated to creation of the PID;
5. Consent Agreement to Dissolution of the PID if Project is not developed.
6. Any additional information required by the City to evaluate the Feasibility Report.

PID ADMINISTRATION

1. The City may contract with a qualified third-party company to manage and administer the PID, subject to appropriate oversight by City staff.
2. The City's contract with a qualified third party to manage and administer the PID for the City shall provide for the contractor to:
 - a. Prepare and submit a Budget and Five Year Service Plan to the City Council for consideration and adoption. The budget shall provide for sufficient funding to pay for all costs above and beyond the City's ordinary costs, including additional administrative and/or operational costs as well as additional maintenance costs resulting from the PID.
 - b. Provide for the calculation of the assessment and allocation to the respective parcels in the PID and shall provide for the billing of the assessments to the property owners or provide information to the County Tax Assessor if the City has contracted with that entity to collect the assessments.
 - c. Prepare annual updates and reports for the Service and Assessment Plan as required by Chapter 372 of the Texas Local Government Code and submit an annual Service and Assessment Plan in a form appropriate for consideration and adoption by the City Council each year and assist the City Council and staff in adopting the annual Service and Assessment Plan updates.
 - d. Prepare annual reports reflecting the expenditure of Bond Proceeds or the reimbursement of Developer expenditures as appropriate.
 - e. Prepare annual reports reflecting the imposition and collection of the assessments and the balances in the various accounts related to the PID to be provided to City Council on a monthly or other periodic basis as may be required by the City.
 - f. Prepare and provide any other reports or information required of the City or the Project under Chapter 372 of the Texas Local Government Code.
3. The contract with a third party to manage the PID shall not preclude the City from entering into a contract with another taxing unit for the collection of the assessments levied for the PID.
4. The City may alternatively provide for the administration of the PID through in-house resources.

5. Provision for the costs associated with the provision of the administrative services, whether the services are provided by third parties or the City, shall be included in any budget proposed by the Developer and may include but is not limited to allocation of interest on the assessment to the extent authorized under Chapter 372 of the Texas Local Government Code.
6. Any management firm for a PID shall be required to submit quarterly reports of all activities and expenditures to the City until the project is 80% built out.
7. The City may request an independent audit at any time.

ADDITIONAL PROJECT CRITERIA

In agreeing to form a PID for which debt will be issued to fund the costs of constructing qualified public improvements, the City will require the following:

1. The property owner must demonstrate to the City that it has the expertise to complete the new development that the PID will support.
2. The property owner must provide the City with its sources of funding the public improvements not being funded by the PID unless such improvements have already been constructed by the property owner prior to the PID funding.
3. The proposed development must be consistent with the entitlements on the property. All required zoning must be in place for the development of the portion or phase of the Property to be assessed by the PID Bond issue prior to the issuance of any PID bonds for that portion of the property.
4. The property owner must provide evidence to the City that the utility service provider has or will have sufficient capacity to provide all necessary utility services for the development of the portion or phase of the Property to be assessed by the PID Bond issue prior to the issuance of any PID bonds for that portion of the property.
5. All reasonable estimated costs must be identified before a decision is reached on a request to issue bonds for a PID. Costs to be identified include costs related to establishing the district, costs for construction and/or the acquisition of improvements, the maintenance and operation of improvements (if any) and PID administrative costs.
6. If the City elects to hire a qualified third party PID administrator to administer the PID, the costs for such administration shall be paid for with PID funds.

BOND SIZE LIMITATIONS

The following limitations and performance standards shall apply to a PID debt issue approved by the City:

1. Minimum appraised value to lien ratio at date of each bond issue: 3:1
2. Minimum annual permitted increase for the debt service component of the annual assessment installment: 0-2%

3. Maximum maturity for each series of bonds (to extent allowed by law): 30 years

The aggregate principal amount of bonds required to be issued shall not exceed an amount sufficient to fund: (i) the actual costs of the qualified public improvements; (ii) required reserves and capitalized interest during the period of construction and not more than 12 months after the completion of construction and in no event for a period greater than three (3) years from the date of the initial delivery of the bonds; and (iii) any costs of issuance. Provided, however that to the extent the law(s) which limit the period of capitalized interest to 12 months after completion of construction change, the foregoing limitation may be adjusted to reflect the law(s) in effect at the time of future bond issuances. Additional terms may be considered by the City if the public improvements are constructed in phases or multiple bond sales are contemplated for the project.

FINANCING CRITERIA

1. The PID may seek bond issues in advance of construction of an individual phase of a project subject to compliance with these standards.
2. No City backing or moral obligations will be utilized to fund or support the PID bonds.
3. All proposed subsequent PID bond issues for a project, if any, will be subject to approval by the City Council.
4. Special assessments on any given portion of the property may be adjusted in connection with subsequent bond issues as long as an agreed-upon maximum annual assessment rate is not exceeded for a project or phase, and the special assessments are determined in accordance with the Service and Assessment Plan and the PID Act. Special assessments on any portion of the property will bear a direct proportionate relationship to the special benefit of the public improvements to that improvement area. In no case will assessments be increased for any parcel unless the property owner of the parcel consents to the increased assessment.
5. The City shall not be obligated but may choose to do so at its sole discretion, to provide funds for construction of any improvement except from the proceeds of the PID bonds and PID assessments.
6. Each PID Bond Indenture will contain language precluding the City from making any debt service payments for the PID bonds other than from available special assessment revenues.
7. A PID will be responsible for payment of all the City's reasonable and customary costs and expenses including the cost of any appraisal.
8. Any PID bond issued will include a Reserve Fund in an amount equal to the lesser of: (i) the maximum annual debt service on the bonds; (ii) 10 percent of the Bond Par Amount; or (iii) 125 percent of the average annual debt service and that such Reserve Fund will be funded from bond proceeds at the time bonds are issued.
9. All public infrastructure within the PID that is to be reimbursed must include a minimum of three (3) bidders approved by the City and the Developer.

10. All Developers and significant landowners will provide any required continuing disclosure obligations associated with the issuance of PID bonds as required under the Indenture or any other regulatory agreement or regulatory agency.
11. All construction of improvements is subject to City review and provision shall be made for dedication to City or to another appropriate entity.
12. PID bonds must be issued within 12 months from the date of the resolution creating the PID.

MISCELLANEOUS

1. Severability: If any section, subsection, sentence, clause, phrase, or word of this policy is declared unconstitutional or invalid for any purpose, the remainder of this policy shall not be affected.
2. No Liability of City or Public Officials. Neither the City, a public official, employee, or representative shall be responsible for any liability arising under or growing out of any approved PID. Any obligation or liability of the Developer whatsoever that may arise at any time under the approved PID or any obligation or liability which may be incurred by the Developer pursuant to any other instrument transaction or undertaking as a result of the PID shall be satisfied out of the assets of the Developer only and the City shall have no liability.

Summary of PID Policy

I. Overview: Purpose, nature, of a PID

II. General:

1. May be used to construct public improvements or reimburse developer for cost of same.
2. PID is self-sufficient & does not require City to incur costs.
3. PID petition signatures reflect support from majority of owners.
4. PID petition likely to be approved if it:
 - a. Generates economic development.
 - b. Provides for ROW improvements.
 - c. Meets community needs (examples)
 - d. Exceeds development standards of the City (examples)
 - e. Provides for increased recreation/open space for public.
 - f. Protects natural amenities and environmental assets.
 - g. Protects historic buildings and features.
 - h. Is associated with property inside the City.
5. PID budget to include funds for all costs.
6. Landowner's Agreement must be recorded in county records and serve as notice.
7. Requested deviations must be clearly identified.
8. PID must be identified with signage.
9. City property in the PID boundaries not subject to assessment.
10. No PID that overlaps another PID.
11. Annual Service and Assessment Plan updates required.

III. Petition Requirements:

1. Language regarding community property
2. Signatures to be gathered not more than six months prior to PID application unless otherwise approved.
3. Shall include language regarding City's right to inspect Developer's records.
4. Specific indemnification language required.
5. Signatures must meet state law requirements of include fee to cover cost of City's signature verification.
6. Map/description of property.
7. Statement re annual Service and Assessment plan.
8. Narrative description of project & how it meets or exceeds II 4 above.

IV. Documents to accompany petition, in addition to application fee:

1. Current tax roll and owner statement.
2. Preliminary PID Finance Plan that includes:
 - a. Gross bond amount
 - b. Estimated *ad valorem* revenue generated.
 - c. Annual assessment per unit.
 - d. Estimated number of bonds issuances.
 - e. Proposed maturity dates for PID Bonds; and
 - f. Any other such supporting information related to the success of the PID.
3. A copy of a Project Feasibility Study including:
 - a. An Assessment Revenue Pro forma.
 - b. A financial review of the development projections and absorption schedule.
 - c. Analysis of timing and amount of assessment revenue which will be generated.

- b. Comparison of the PID as built-out with other similar projects.
- V. Documents/Info. required before public hearing:
 - 1. PID Financing Agreement between the City and the Developer.
 - 2. Service and Assessment Plan, which includes:
 - a. Proposed method of assessment
 - b. Apportionment of costs between PID and City if any
 - c. Description of management of PID
 - d. If applicable, all City-owned land within the district.
 - 3. Appraisal.
 - 4. Proof that liens on the Properties will be subordinated to creation of the PID.
 - 5. Consent Agreement to Dissolution of the PID if Project is not developed.
 - 6. Any additional information required by the City.
- VI. PID Administration:
 - 1. City may contract with 3rd party management company.
 - 2. City contract with 3rd party contract to include:
 - a. Budget and five-year service plan.
 - b. Calculation of the assessment and allocation for parcels.
 - c. Annual updates required by Ch. 372.
 - d. Annual reports re expenditure of bond proceeds or reimbursement
 - e. Prepare annual reports re imposition and collection of the assessments and the balances related to the PID to be provided to City Council on a monthly or other periodic basis.
 - e. Any other information required of the City or the Project under Chapter 372.
 - 3. Third party contract shall not preclude city from contracting with another taxing unit for collection of assessments.
 - 4. City may administer PID in-house.
 - 5. Provision for costs of administrative services.
 - 6. Any management firm required to submit quarterly reports until 80% buildout.
 - 7. City may request an independent audit at any time.
- VII. Additional Project criteria—City will require:
 - 1. Demonstration of expertise to complete the new development.
 - 2. Property owner to provide sources of funding of public improvements not funded by PID.
 - 3. Consistency with entitlements on property, incl. zoning.
 - 4. Evidence that utility provider has capacity.
 - 5. Estimated costs identified before request to issue bonds.
 - 6. Third party costs to be paid with PID funds.
- VIII. Bond Size Limitations:
 - 1. Minimum appraised value to lien ratio at date of each bond issue: 3:1.
 - 2. Minimum annual permitted increase for the debt service component of the annual assessment installment: 0-2%.
 - 3. Maximum maturity for each series of bonds: 30 years.
 - 4. The aggregate principal amount of bonds issued shall not exceed actual costs of public improvements; required reserves and capitalized interest; any costs of issuance, adjusted as necessary to comply with law.
- IX. Financing Criteria
 - 1. PID may seek bond issues in advance of construction of an individual phase of a project subject to compliance with these standards.

2. No City backing or moral obligations will be utilized to fund or support the PID bonds.
 3. All proposed subsequent PID bond issues for a project, if any, will be subject to approval by the City Council.
 4. Special assessments may be adjusted in connection with subsequent bond issues as long as specific requirement met.
 5. The City shall not be obligated but may provide funds for construction of any improvement from the proceeds of the PID bonds and PID assessments.
 6. Each PID Bond Indenture will contain language precluding the City from making any debt service payments for the PID bonds other than from available special assessment revenues.
 7. PID will be responsible for payment of the City's reasonable and customary costs and expenses.
 8. Any PID bond issued will include a Reserve Fund equal to the lesser of: (i) the maximum annual debt service on the bonds; (ii) 10 percent of the Bond Par Amount; or (iii) 125 percent of the average annual debt service and that such Reserve Fund will be funded from bond proceeds at the time bonds are issued.
 9. All public infrastructure within the PID that is to be reimbursed must include a minimum of three (3) bidders approved by the City and the Developer.
 10. All Developers and significant landowners will provide any required continuing disclosure obligations associated with the issuance of PID bonds as required under the Indenture or any other regulatory agreement or regulatory agency.
 11. All construction of improvements is subject to City review and provision shall be made for dedication to City or to another appropriate entity.
 12. PID bonds must be issued within 12 months from the date of the resolution creating the PID.
- X. Miscellaneous
1. Policy is severable
 2. Neither the city or any city official or employee shall be liable obligations arising from the PID.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2023-08 to update the comprehensive schedule of fees for development-related applications and permits, including revised fees for existing applications, establishment of fee levels for new applications, providing a savings clause, to repeal conflicting ordinances or resolutions, and to provide for an effective date.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: The purpose of the proposed resolution is to revise the fees for development applications, including planning-related fees such as the many types of annexation, zoning and subdivision applications, as well as building-related fees such as building permits, trade permits, commercial and residential inspections. Also included in the fee schedule are updated fees for sign permits, fence permits, tree removal permits and Certificates for Alteration in the Courthouse Square Historical District. New fees are proposed for several processes which did not previously have a fee designated. Such new fee categories include annexation petitions, subdivision variances, right-of-way vacations, tree removal permits, inspections of public improvements constructed for subdivisions, and zoning verification letters.

The motivation for the revision in fee amounts is prompted by the recent surge in development activity. Despite the large number of applications the City has received, comparatively little revenue has resulted from the increase in permit activity. As such, an overwhelming percentage of staff, equipment, furniture, and other related costs related to this development surge are covered by the City's general fund. Updating the fee levels will help ensure that development activity is paying for the use of city resources it generates to the extent possible while freeing up more of the city's general fund for other priorities.

To arrive at the proposed fee schedule revisions, City staff researched the fees which other similar-situated cities charge. Like the recent impact fee update, the fees are intended to place Lockhart within the mainstream of fees charged in the Austin-San Antonio corridor, with an emphasis on maintaining relative affordability while capturing more of the city's costs created by various application types. The fees have also been designed to be less onerous for smaller landowners, with larger, more complex properties carrying a greater burden as the project size grows. This is because larger projects typically generate more staff time, in terms of multiple rounds of applications, more notification letters being required and more public inquiries being received regarding the proposed project. The draft fee amounts for the planning-related fees have been reviewed by the Housing and Development Committee, which recommended forwarding the fees to City Council for review.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PROJECT SCHEDULE (if applicable): The resolution would make the new fee schedule effective September 1, 2023.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The revised fees are intended to cover more of the cost of staffing, equipment, vehicles, and other resources used in the processing of development applications. The exact impact of the proposed fees will depend upon the level of permit activities in planning and building related development categories, such as annexations, zoning changes, subdivision plats, building permits, fence permits, sign permits and other related activities.

PREVIOUS COUNCIL ACTION: The date of previous council action regarding development permit fees dates to before the year 2000.

COMMITTEE/BOARD/COMMISSION ACTION: None.

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2023-08, updating the comprehensive schedule of fees for development permits.

LIST OF SUPPORTING DOCUMENTS: Fee update resolution 2023-08, Planning Fee Adjustment recommendations, Building Fee Comparison of other municipalities

RESOLUTION NO. 2023-08

A RESOLUTION OF THE CITY COUNCIL OF LOCKHART TO UPDATE THE COMPREHENSIVE SCHEDULE OF FEES AND CHARGES NECESSARY TO GENERATE FUNDING FOR GENERAL AND SPECIFIC OPERATIONS REQUIRED TO SATISFY SERVICE NEEDS OF THE CITY; TO ESTABLISH NEW CATEGORIES OF FEES AND CHARGES; TO REVISE EXISTING RATES; TO RECONFIRM EXISTING RATES; PROVIDE FOR A SAVINGS CLAUSE; TO REPEAL CONFLICTING ORDINANCES OR RESOLUTIONS; AND TO PROVIDE FOR AN EFFECTIVE DATE

WHEREAS, the City Council has from time-to-time revised fees and charges based on need for additional funding to cover increased costs of services funded by said fees; and

WHEREAS, a single comprehensive schedule of development-related fees and charges facilitates administration of the multiplicity of fees collected by various departments in the City and provides a simpler and less complicated means of reviewing and adjusting rates as needed from time to time; and

WHEREAS, Development and building fees should adequately reflect the cost of services associated with providing the related services; and

WHEREAS, the current development and building fee revenues do not cover the cost of service, therefore, the citizens and taxpayers are left subsidizing the difference.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS that:

SECTION 1. All fees and charges listed in EXHIBIT "A" attached hereto and incorporated herein for all purposes are hereby adopted.

SECTION 2. All fees and charges listed in EXHIBIT "A" shall be effective and valid beginning September 1, 2023.

SECTION 3. All fees authorized by the Code of Ordinances and referenced as "on file in the City Secretary's office" are shown in EXHIBIT "A" as incorporated herein.

SECTION 4. All ordinances, parts of ordinances or resolutions in conflict herewith are expressly repealed to the extent of such conflict.

SECTION 5. The invalidity of any section or provision of this Resolution shall not invalidate other sections or provisions thereof.

SECTION 6. The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted, was posted and that such meeting was open to the public as required by law at all times during which this Resolution and

the subject matter hereof was discussed, considered , and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended and the Act

PASSED, ADOPTED, AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, THIS THE 6th DAY OF JUNE, 2023.

CITY OF LOCKHART:

Lew White, Mayor
City of Lockhart

ATTEST:

Julie Bowermon,
Assistant City Secretary

APPROVED AS TO FORM:

Monte Akers, City Attorney

EXHIBIT “A”

Schedule of development fees

Planning-related fees:

<u>Application</u>	<u>Fee amount</u>
Zoning Change	\$250 , plus \$150 per acre, maximum of \$10,000, plus additional \$1,000 for Planned Development District
Specific Use Permit	\$250, plus \$150 per acre, maximum of \$2,500
Zoning Variance/Special Exception	\$250, plus \$150 per acre, maximum \$2,500
PID/MUD/SUD/WCID consent agreement	\$10,000 minimum escrow plus professional fees
Zoning Verification letter	\$75
Voluntary Annexation	\$1,500
Preliminary Plat/development plat	\$1,500 plus \$100 per acre
Final plat/major replat/resubdivision	\$1,000 plus \$100 per acre
Amending/Minor Plat/Minor Replat	\$750 plus \$100 per acre
Family Transfer Exception	\$250
Subdivision Variance	\$750 per variance requested
Engineering plan review fee (Subdivisions and site plans)	\$1,000 plus \$250/acre, \$20,000 maximum
Plan Check Fee	50 percent of building permit fee amount
Sign Permit	\$100, plus \$1 per square foot
Traffic Impact Analysis	\$1,000 plus professional review fees
Fence Permit	\$50 residential, \$75 commercial
Certificate for Alteration/Historic Landmark	\$50
Historic Preservation Tax Abatement	\$200
Street/ Alley Abandonment	\$1,000
Tree removal permit	\$100 residential/\$200 commercial
Printouts of maps	\$5 per square foot
Public Improvement Inspections	\$1,000 per acre
Off-site utility extension review	\$1 per foot of utility extension, each utility assessed separately. Also applies to upsizing.

Building-related fees:

<u>Application</u>	<u>Fee Amount</u>
Residential Electric New construction	\$75
Residential Electrical Repair/Remodel	\$75
Electrical Meter Loop	\$75
Commercial Electrical Repair/Remodel	\$75
Commercial Electrical New Construction	\$75
Residential Plumbing repair/remodel	\$75
Residential Plumbing New Construction	\$75
Commercial plumbing repair/remodel	\$75
Commercial plumbing new construction	\$75, hotels multifamily and similar configurations, \$20/unit
Residential Mechanical Repair/Remodel	\$75
Residential Mechanical, New Construction	\$75
Commercial Mechanical Repair/Remodel	\$75
Commercial Mechanical New Construction	\$75, hotels multifamily and similar configurations, \$20/unit
New Construction (Residential and commercial)	\$0.45 per square foot
Residential Building Repair/Remodel	\$75
Residential Swimming Pool	\$125
Commercial Swimming Pool	\$150
Residential Duplex New Construction	\$0.40 per square foot
Residential Inspection Fee	\$75 in addition to permit fee
Permit Renewal Fee	\$75
Residential or Commercial Re-inspection	\$100

Building-related fees (continued):

<u>Application</u>	<u>Fee Amount</u>
Roof Permit	\$75
Demolition Permit	\$75
Moving Permit	\$75

Planning and Development
Proposed fee changes, June 2023

Type	Current fee	Proposed new fee	Notes
Zoning Change	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250 , plus \$150 per acre , \$1,000 more for PDD	\$Min1K in SM \$3K in Bastrop
Specific Use Permit	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250 , plus \$75 per acre,	\$ 1,000 in San Marcos
Zoning Variance/ Special Exception	\$125-150 if under 1 acre \$170 + 20/acre over 1 acre	\$250, plus \$75 per acre (also includes sign variance)	\$750 in San Marcos
Zoning Verification letter	No charge	\$75	\$75 in SM, \$150 in Bastrop
Voluntary Annexation	No charge	\$1,500	\$1,800 in San Marcos
Meeting notification news ad	No charge	leave included in application fee	Buda: \$5/letter +
Preliminary Plat/development plat	\$600	\$1,500 plus \$100 per acre	Significantly less than Caldwell Co.
Final Plat/ major replat	\$400 plus \$20/acre	\$1,000 plus \$100 per acre	See above
Amending/Minor Plat/ Minor replat	\$100	\$750 plus \$100 per acre	“ “
Subdivision Variance	No charge	\$750 per variance requested	\$1,000 in Bastrop
Subdivision engineering plan review	\$500, plus \$250/acre, additional	\$1,000 plus \$250/acre, \$20,000 max	\$5,000 + professional

	\$10,000 max		fees in Bastrop
Type	Current fee	Proposed new fee	Notes
MUD/PID/SUD/WCID Consent agreement	(not defined)	\$10,000 minimum escrow plus additional professional fees, if needed	\$25K+ professional fees In Bastrop
Traffic Impact Analysis (TIA)	Not specified (at applicant's expense)	Minimum review fee of \$1,000 Plus consultant fees	\$1,200 in San Marcos
Sign permit	\$10 + \$0.25 per square foot	\$100, plus \$1 per square foot (reduced for non-profit?)	Buda: \$100 + \$1.50/SF
Fence permit	\$15	\$25 residential, \$50 commercial.	\$25-175 in Bastrop
Historic District Cert of Alteration	no charge	\$50	\$150 in San Marcos
Street/alley abandonment	No charge	\$1,000	\$1,200 in San Marcos
Tree Removal Permit	No Charge	\$100 residential/\$200 commercial (includes all of lot)	Buda \$100/150
Printouts of maps	\$20/sheet	\$5/SF	\$6.67/SF +50/hr. in Bastrop

Type	Current fee	Proposed new fee	Notes
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Other potential fees

Public Improvement Inspections* total cost,) \$2,500 min.	none	At least 2.5% of cost of improvements	Bastrop: 3.5% of
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*This refers to inspections of roads, water and sewer, storm sewer, and electric lines built for new subdivisions. As these facilities are dedicated to the city, staff will inspect the infrastructure improvements several times throughout the construction process. Public works estimates 40-60 staff hours for the public improvements needed for residential subdivisions.

Off-site utility extension review^	none	At least 2.5% of total cost of extension	Buda \$500 + 3.5% of cost
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^This fee is for the extension of utilities from the current end of a line to a property currently not served. Currently there is not a review fee charged, even though TRC reviews the construction plans for these extensions.

City of Lockhart Fee Comparison June, 1,2023

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Electrical Repair/Remodel	\$15	\$60	\$60 + \$60 inspection fee = \$120	\$25	\$75	\$70 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Residential Electrical New Construction	\$25	\$60	\$35 + \$60 inspection fee = \$95	\$55-\$110 Based on amperage Average \$85	\$75	\$50 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Electrical Meter Loop	\$25	\$60	\$35 + \$60 inspection fee = \$95	\$55	\$75	\$31 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Electrical Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	\$60-\$135 Based on amperage Average \$97	\$75	\$47 below average
Staff recommendation	Increase all trade permit fees to \$75*					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Commercial Electrical New Construction	\$50	Apartments & hotels \$30 per unit New & finish out. 1-2500 sf \$250 2501-5000 sf \$500 Greater the \$5000 sf \$750 + .02 per sf	\$80 + \$80 inspection fee = \$160	\$60 to \$135 based on voltage with an additional \$ 15 issuance fee. Estimated average. \$112	\$75	Approx. \$100 below average of base rate
Staff recommendation	Increase fee to a minimum of \$75 *Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Residential Plumbing Repair/Remodel	\$15	\$60	\$35 + \$60 inspection fee = \$95	Based on number of fixtures replaced/repared or general repair with additional \$15 issuance fee estimated average \$45	\$75	\$45 below average
Staff recommendation	Increase all trade permit fees to \$75					
Residential Plumbing New Construction	\$25	\$60	\$35 + \$60 inspection fee = \$95	Same as above estimated average \$45	\$75	\$45 below average
Staff recommendation	Increase all trade permit fees to \$75					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Commercial Plumbing Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	Based on number of fixtures replaced/repaired or general repair with additional \$15 issuance fee estimated average \$45	\$200 per building plus \$150 per additional floor	\$91.25 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Plumbing New Construction	\$50	Apartments & hotels \$30 per unit New & finish out. Varies based on cost average \$500	\$80 + \$80 inspection fee = \$160	Same as above estimated average \$45	\$200 per building plus \$150 per additional floor	Approx. \$175 below average
Staff recommendation	Increase fee to a minimum of \$75 *Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Gas Inspection Fee	\$15	NA	NA	NA	NA	
Staff recommendation	Remove fee, should be covered as plumbing fee					
Residential Mechanical Repair/Remodel	\$15	\$60	\$35 + \$60 inspection fee = \$95	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$61 below average
Staff recommendation	Increase all trade permit fees to \$75*					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Mech. New Construction	\$25	\$60	Included in new residential building fee \$.60 per sf. + \$60 inspection fee. Est. \$75	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$36 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Mechanical Repair/Remodel	\$25	\$60	\$80 + \$80 inspection fee = \$160	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$75	\$75	\$67 below average
Staff recommendation	Increase all trade permit fees to \$75*					
Commercial Mechanical New Construction	\$50	\$60	\$80 + \$80 inspection fee = \$160	Based on \$ evaluation \$25 plus \$5 per \$1000 Est. \$125	\$75	\$48 below average
Staff recommendation	Increase all trade permit fees to \$75*Hotels, Multifamily and similar multi room configurations increased to \$20 per unit					
Residential Building Repair/Remodel	\$0.25 per sq. ft. \$125	\$80	\$50-140 based on \$ evaluation + \$60 inspection fee	\$0.25 per sq. ft. \$125	\$75	\$34 above average based on \$5,000.00 and/or 500 S.F. project (varies depending on trades)
Staff recommendation	Change remodel/repair permit fee to \$75					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Residential Building New Construction	\$0.35 per sq. ft. \$525	\$0.32 per sq. ft \$480	\$0.60 per sq. ft. (includes trade permits) + \$60 inspection fee. \$960	\$0.50 per sq. ft. plus \$50 application fee \$800	* \$ amount varies based on square footage Average cost \$1 per sf. \$1575	Based on 150,000/1500 S.F residence. \$415 below average
Staff recommendation	Increase the fee to \$.45 per square foot.					
Residential Swimming Pool	\$25	no heater \$158 – w/heater \$204	\$80	Above ground \$100	\$200	\$121 below average
				In ground \$200		
Staff recommendation	Increase fee to \$125					
Commercial Swimming Pool	NA	NA	\$150	NA	\$750	NA
Staff recommendation	Add commercial swimming pool fee of \$150					
Residential Duplex New Construction	NA	\$0.37 per sq. ft	NA	NA	NA	
Staff recommendation	Follow suit with Pflugerville and charge for additional time needed to review and insect fire rated assembly required between duplexes. Add new duplex fee at \$.40 per sq. ft					
Commercial Building Repair/Remodel	\$460 plus \$3 per thousand over \$100,000 \$910	Level 3 alteration same as new construction \$600	.70 per sq. ft. includes trade permits. \$1750	\$100 But plan review fee adds 25% capped at \$2500. \$2600	\$1000 plus \$.50 per sf. \$2250	Based on \$250,000 and/or 2500 sq. ft. project
Staff recommendation	Recommend changing commercial and residential permits valued at \$1,000 or less from \$15 to \$75 to be consistent with trade permits and to cover the cost of inspections.					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
New Commercial Inspection Fee (in addition to permit fee)	Council Resolution No. 2011-19 Adopted and Approved March 15 th , 2022, raising inspection fees for new commercial project to competitive levels.					
Staff recommendation	No change					
New Residential Inspection Fee (in addition to permit fee)	NA	NA	\$80	\$35	25% of new permit cost	
Staff recommendation	Add \$75 inspection fee to all new residential projects					
Commercial Building New Construction	Council Resolution No. 2011-19 Adopted and Approved March 15 th , 2022, raising commercial new construction fees to competitive levels					
Permit Renewal Fee	\$10.00	NA	NA	NA	NA	
Staff recommendation	Increase fee to \$75					
Residential Re-Inspection Fee	\$45	\$100	\$75 1 st and \$100 each additional	Residential \$35 Commercial \$50 Double for each failed inspection	\$100	\$55 below average
Staff recommendation	Increase the fee to \$100.					

Municipal fee comparison	City of Lockhart Fees	City of Pflugerville Fees	City of Manor Fees	City of New Braunfels	City of Bastrop Fees	+ or – other municipalities average cost
Commercial Re-Inspection Fee	Council Resolution No. 2022-19 Adopted and Approved March 15 th , 2022, eliminated commercial re-inspection fees, but structured to fees in manner that eliminates the need for the fee.					
Staff recommendation	No change					
Fence Permit	\$15	NA	NA	\$75	\$35	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Roof Permit	\$25	NA	NA		Res. \$150 Com. \$500	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Sign Permit	\$10 + \$.25/sq. ft. over 40 sq. ft. \$22	\$100	\$50 - \$100 based on size + \$80 inspection fee \$155	\$2.50 per square ft (\$50 min) \$125	\$200 + \$2/ft sign height and \$2/per. Sq. ft. \$304	Based on 50 sq. ft. sign \$164 below average
Staff recommendation	Increase the fee to \$100					
Admin fee	\$25 and 5% for new commercial projects	NA	NA		5% of permit cost	N/A
Staff recommendation	Increase the fee to \$50 no change for commercial					

Municipal fee comparison	City of Lockhart	City of Pflugerville	City of Manor Fees	City of New Braunfels	City of Bastrop	+ or – other municipalities average cost
Demolition Permit	\$15	50	\$25	\$50 up to 100,000 cubic feet \$50 plus \$.50 /1000 cubic feet additional	Res. \$ 350 Com. \$ 500	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					
Moving Permit	\$15	NA	\$85	\$100	160 ft or less \$25 Over 160 \$200	
Staff recommendation	Increase the fee to \$75, consistent with trade permit and repair/remodel building permit, separate permit category not needed.					

Cost for new 2000 square foot home w/fence (does not include impact or water sewer fees or plan check fees).	Old fee schedule:	Proposed fee schedule:
Building Permit	\$700	\$900
Inspection Fee NA	NA	\$75
Plan check	\$350	\$450
Plumbing Permit	\$25	\$75
Mechanical Permit	\$25	\$75
Electrical Permit	\$25	\$75
Fence Permit	\$15	\$75
Total	\$1120	\$1725

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 6, 2023

AGENDA ITEM CAPTION: Consideration and/or action regarding Resolution 2023-09 creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee Members.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: This resolution has been written to create a Comprehensive Plan Steering Committee. The provisions of the resolution reflect discussions at recent Council meetings regarding the composition of the Steering Committee, the duties of the Committee and expectations of the Committee members. The Committee is defined as existing until the adoption of the Comprehensive Plan, at which point it would be dissolved. The Committee would be appointed by City Council, which would have the power to remove members for poor attendance or failing to perform their assigned duties. Along with the adoption of the resolution, Council may also move to appoint a slate of members to the Committee.

PROJECT SCHEDULE (if applicable): The Comprehensive plan is expected to take 18 months to complete, with Committee work starting in June 2023.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): None.

PREVIOUS COUNCIL ACTION: Council has had two discussion items on the formation and composition of the Steering Committee, which shaped the terms outlined in the resolution.

COMMITTEE/BOARD/COMMISSION ACTION: None.

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2023-09, creating a Comprehensive Plan Steering Committee, including the possible appointment of Committee members.

LIST OF SUPPORTING DOCUMENTS: Comp Plan Steering Committee Resolution 2023-09,

City of Lockhart, Texas

Council Agenda Item Cover Sheet

RESOLUTION 2023-09

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS APPROVING THE CREATION OF THE COMPREHENSIVE PLAN STEERING COMMITTEE

WHEREAS, Texas Local Government Code, Section 213.002 authorizes municipalities to adopt a comprehensive plan for the long-range development of the municipality; and

WHEREAS, the City of Lockhart is undertaking a process to update its Comprehensive Plan; and

WHEREAS, community outreach and public involvement will be an important part of the process; and

WHEREAS, the comprehensive plan is not a permanent document; and will be changed and amended from time to time,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOCKHART, TX, THAT:

1. A Comprehensive Plan Steering Committee is hereby created.
2. The Comprehensive Plan Steering Committee shall:
 - a) Work with the consultant and City Staff to articulate the common goals that will guide the City of Lockhart in the future;
 - b) Communicate the comprehensive planning process through public outreach events and through verbal and written communications to the public;
 - c) Assist the consultant and City staff with the data collection process;
 - d) Thoroughly review all draft materials presented to the Committee for review;
 - e) Make a recommendation to the Planning and Zoning Commission and City Council for plan adoption; and
 - f) Hold meetings which are posted in accordance with the Open Meetings Act of the Texas Government code.
3. The Comprehensive Plan Steering Committee shall consist of the following members:
 - a) Two City Council members,
 - b) Two Planning and Zoning Commission members,
 - c) One Lockhart ISD representative,
 - d) One representative from the Lockhart Chamber of Commerce,
 - e) One representative from the Greater Caldwell County Hispanic Chamber of Commerce,
 - f) One Economic Development professional,
 - g) One representative from the Downtown Business Association,
 - h) One Parks Board member,
 - i) One Lockhart Historical Preservation Commission member,

- j) Three community leaders from various areas in Lockhart, and
 - k) Any additional member(s) at the Council's discretion.
4. The Comprehensive Plan Steering Committee shall be dissolved upon adoption of the updated plan by City Council.
 5. City Council may replace members for poor attendance or for failing to perform the duties outlined above.
 6. The Steering Committee shall not have the power to approve the expenditure of any city funds, or perform any functions not approved by the Lockhart City Council.
 7. The foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.
 8. All provisions of any Resolution of the City of Lockhart in conflict with the provisions of this Resolution are hereby repealed. All other provisions of any Resolution of the City of Lockhart not in conflict with this Resolution shall remain in full force and effect.
 9. This resolution shall become effective from and after its passage.
 10. The meeting at which this resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given as required in the Open Meetings Act, Texas Government Code, Chapter 551.

PASSED AND APPROVED this, the 6th day of June, 2023 by the City Council of Lockhart, Texas

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, Deputy City Secretary

Monte Akers, City Attorney



Lockhart

T E X A S

2022-2023 Strategic Work Plan



The Strategic Planning Process

From January through April 2022, the City of Lockhart embarked on a strategic planning process to create strategic priorities for 2022-2023. The following is the process used to reach the conclusions for the plan:

The process kicked off with a preliminary Zoom between the City Manager, Steve Lewis, Mayor Lew White, and professional facilitator Alysia A. Cook, PCED, IOM with Opportunity Strategies LLC. The three met to review key issues facing the city, understand the programs and projects currently underway, and to prepare the process and format for the planning session.

On April 8, 2022, the City of Lockhart Management Team met at the Library for Part 1 of the Strategic Work Planning Session for 2022-2023.

On April 9, 2022, the City of Lockhart City Council and City Manager met at the Library for Part 2 of the Strategic Work Planning Session for 2022-2023.



Day One – Management Team

Day One began with City Manager Steve Lewis reviewing with the Management Team the City of Lockhart's accomplishments and success stories of 2021.

Following that, the City Manager and the facilitator shared some leadership concepts and considerations with the Lockhart Management Team. This led to some group discussions about the importance of continuous learning and leadership development.

The City Manager discussed with the participants that when goals are adopted by the City Council, they provide a positive impact for the Management Team in at least 4 different ways:

- a) Direction is clearly set by City Council
- b) Once that direction is established, differences can be discussed in a more open, less polarizing manner
- c) Saves time in decision making on projects/programs
- d) City Manager's recommendations can be better aligned with ultimate objectives

Mission of Lockhart Management Team

To promote and influence the alignment of organizational resources by focusing on:

- a) Organizational planning and issues
- b) Open communication with elected officials, staff, boards, commissions, and citizens
- c) Ensuring City of Lockhart is a leader in Central Texas regarding issues with community relevance
- d) Implementing programs that derive from the City Council and community's goals

Start – Stop – Continue

The facilitator then engaged the Management Team in a group exercise called *Start – Stop – Continue* which divides participants into small groups and has them offer feedback on what the City needs to start doing, stop doing, and continue doing.

These are individual manager recommendations and not necessarily agreed to by all managers or by City Council members. The responses are as follows:

Start

- Long-term capital planning
- Increasing non-emergency communications
- Administering annual customer service surveys that are statistically valid
- Developing recreation programs
- Indoor community recreation center
- City facilities and community infrastructure improvements
- New spaces for city facilities
- Modernize Human Resources policies including technology
- A vehicle acquisition fund
- Decreasing steps in the hiring process
- Staff planning for future growth
- Modernizing our contracts, best practices, attorney, etc. including reviewing for mutually beneficial language and avoiding one-sided contracts

Stop

- Ineffective/outdated contracts
- Thinking small
- Six-month probationary period for personnel
- Reconnecting customers after 10pm
- Providing free services (such as banners and road closures) and establish a fee schedule for these special requests
- Requiring utility inspections for every change of occupant

Continue

- Longevity pay
- Forward-looking planning for quality growth
- Law enforcement outreach with community
- Contracting (sending RFPs) for solid waste collection
- Supporting tourism
- Modernizing technology, e.g. paperless, Go Green
- Enhancing community investment
- Planning our wayfinding and signage
- Growing events that enhance overnight stays in Lockhart and maximize HOT \$ collections
- Economic growth including considering developing a 4th industrial park
- Striving for improved customer service
- Community engagement including public open houses and social media



Next, the Management Team embarked on a discussion around the following topics which also included some departmental reports on the status of various projects:

- Growth Trends
- Land Development
- Economic Development
- Service Delivery
- Workforce Development
- Long Range Financial Outlook

Following those discussions, the facilitator led the Management Team through a discussion of what they each thought should be the 2022-2023 goals City Council would establish the following day. She recorded those recommendations, then the group reached consensus on what would be put forth to the Council to consider.

The final decisions for 2022-2023 were made by City Council the following day and are listed below.

Day Two – City Council

Day Two began with City Manager Steve Lewis reviewing with City Council the City of Lockhart's accomplishments and success stories of 2021.

Expectations – City Council

Following that, the facilitator asked City Council to share any expectations for the day. Responses were as follows:

- TxDOT – Wayfinding and Signage
- Summerside Subdivision turn lane and traffic light
- Urgent Care facility
- Comprehensive mental health care for first responders
- Keeping City Staff wages competitive
- Need for an Assistant City Manager
- Need for a grantwriter
- Regional animal shelter
- Next industrial park and/or property

The following is the City of Lockhart 2022-2023 Strategic Work Plan.

City of Lockhart Vision:

- To be a first-class community that has maintained its integrity and sense of community characterized by livable neighborhoods and quality schools.
- To be a City that focuses on family by ensuring quality recreational and cultural activities, services, housing, economic, and educational opportunities that promote a well-rounded productive member of the community.
- To be a City that is friendly to visitors and future residents with a spirit of fellowship and cooperation by accommodating their needs and recognizing the wealth in cultural, ethnic and age diversity.
- To be a City committed to sustainability by diligently balancing community needs with available resources and managing growth in a smart and fiscally responsible manner.
- To be a City that celebrates and embraces its long and rich history by reinvesting in neighborhoods, preserving areas and buildings of historic significance and returning the Central Business District to an economically viable and lively activity center.
- To be a City recognized for the quality of its built environment and the integration of the natural landscape throughout the community.
- To be a City that ensures a good balance between residential, commercial, industrial, and public/institutional uses supported by quality infrastructure and transportation systems.
- To be a City known for its innovative solutions to managing growth, progressiveness of City government, and responsiveness to the needs of citizens and businesses.

Source: Lockhart 2020 Comprehensive Plan

Goal #1:

**City
Facilities**

Goal #2:

**Human Resources/
Staffing**

Goal #3:

**Parks &
Recreation**

Goal #4:

Infrastructure

Goal #5:

**Modernization &
Communications**

Goal #6:

**Development &
Quality of Life**

Goal #7:

**Revenue
Sustainability**

2022-2023 Goals:

Each of the following seven goals is guided by the values of diversity and inclusion. Diversity and inclusion are a tapestry that is woven through every goal, every service, and every program.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

Goal #1: City Facilities

To begin planning for new city facilities and offices.

- 1.1 Consider which facilities improvements should be funded by certificates of obligation vs. bonds
- 1.2 Begin plans to replace/update City Hall
- 1.3 Begin plans to replace/update Police/Fire/Training facilities
- 1.4 Begin plans to replace/update Maintenance/City Barn Utilities
- 1.5 Reclaim old space at the hospital
- 1.6 Lease additional space at the EDC building
- 1.7 Conduct a Facilities Study with architects and engineers
- 1.8 Consider Airport improvements (TxDOT Aviation) in the study

Goal #2: Human Resources/Staffing

To enhance our HR services to ensure Lockhart remains a competitive employer.

- 2.1 Hire ACM (Assistant City Manager) immediately
- 2.2 Hire City Manager Support Staff (Executive Assistant or Administrative Assistant)
- 2.3 Once new ACM is hired, assign him/her with developing a Staffing Plan
- 2.4 Once new ACM is hired, assign him/her with developing a Succession Plan
- 2.5 Consider adding additional staff city-wide as needed
- 2.6 Retain law enforcement officers by ensuring compensation competitiveness
- 2.7 Implement a formal EAP (Employee Assistance Program)
- 2.8 Secure a grantwriter (explore opportunities for hiring one vs. contractor)

Goal #3: Parks & Recreation

To develop the Parks & Recreation program and services.

- 3.1 Develop adult and youth programming that utilize existing facilities
- 3.2 Conduct successful outreach to sports leagues across Texas and neighboring states
- 3.3 Consider new Parks & Rec facilities such as pickleball, volleyball, and frisbee golf
- 3.4 Plan for and implement safety improvements of existing facilities
- 3.5 Plan for and implement aesthetic improvements of existing facilities
- 3.6 City Council requests to meet with Parks & Rec Director and City Manager to discuss ideas and brainstorm next steps in the Parks Plan including:
 - Work session, then tour Parks facilities with Parks & Rec Director
 - Discuss short-term vs. long-term Parks & Rec needs
 - Develop plan to survey citizens including bond exploration

Goal #4: Infrastructure

To enhance physical infrastructure and branded wayfinding throughout Lockhart.

- 4.1 Conduct public open houses to determine public wishes for Downtown
- 4.2 Council to approve a final Downtown Conceptual Design and authorize staff to implement
- 4.3 Consider an additional commercial district with retail and mixed-use offerings
- 4.4 Issue the RFP for a Comprehensive Plan update (hire firm by January 2023, then CIP (capital improvement plan) to follow
- 4.5 Explore downtown WiFi options including geofencing

Goal #5: Modernization & Communications

To modernize our in-house and online technology, systems, and communications to serve residents more efficiently and tell the Lockhart story.

- 5.1 PIO (Public Information Officer) to secure proposals for a new website design including:
 - Online forms and application portals (permitting, employment, variance requests, etc.)
 - Must be mobile responsive platform
 - Ensure ease of use and innovative utility of site
 - Include a portal to the Lockhart Economic Development Corporation website
- 5.2 Hire a consultant to 1) build a survey to ask the public what information they seek to find on the City of Lockhart website and 2) compare Lockhart website to other communities with high utilization of an innovative website
- 5.3 Streamline application processes of permits, developer proposals, engineering, employment, etc. to be placed on website (see 5.1)
- 5.4 Verify internet access at all City facilities



Goal #6: Development & Quality of Life

To continually improve the quality of life and employment opportunities of the people of Lockhart.

- 6.1 Consider proposed sidewalk ordinance
- 6.2 Facilitate/incentivize more housing options including:
 - Rental housing options
 - Workforce housing options
 - Higher-income housing
 - Infill/revitalized housing within centers of commerce (existing or planned)
 - Senior/retiree housing
- 6.3 Continue to promote family-friendly events in Downtown
- 6.4 Encourage higher development standards (within state legislature constraints) to research modernization techniques and make recommendations to City Manager for consideration
- 6.5 Continue to implement Animal Control Audit recommendations
- 6.6 Continue to provide concerts on the square

Goal #7: Revenue Sustainability

To ensure the long-term financial health and sustainability of the City of Lockhart.

- 7.1 Explore and increase film production permitting fees
- 7.2 Create and implement fees for banners, road closures, event special requests
- 7.3 Use grantwriter (see 2.8) to find and write grants that benefit the City of Lockhart and its residents
- 7.4 Conduct discussions between City Council and Staff regarding which items can/should be funded by certificates of obligation vs. bonds
- 7.5 Update/increase construction permit fees and impact fees
- 7.6 Explore a bond vote for the items proposed by Parks & Rec and Council from Goal #3
- 7.7 Explore the concept of a Community Foundation with community benefactor options including other communities who have successfully created and implemented a Community Foundation

City of Lockhart Leadership

The 2022 City Council and Management Team participating:

City Council:

Lew White, Mayor
Angie Gonzales-Sanchez, Mayor Pro-Tem
Brad Westmoreland, Councilmember At-Large
Juan Mendoza, Councilmember District 1
David Bryant, Councilmember District 2
Kara McGregor, Councilmember District 3
Jeffrey Michelson, Councilmember District 4

Management Team:

Steve Lewis, City Manager
Julie Bowermon, Director of Human Resources
Connie Constancio, City Secretary
Travis Hughes, Director of Parks & Recreation
Randy Jenkins, Fire Chief
Mike Kamerlander, Economic Development Director
Sean Kelley, Public Works Director
Pam Larison, Director of Finance
Bobby Leos, Electric Superintendent
Victoria Maranan, Public Information Officer
Bertha Martinez, Director of Library Services
Ernest Pedraza, Chief of Police





City of Lockhart

2020-2021 Strategic Priorities

Prepared by:

