

PUBLIC NOTICE
AGENDA
LOCKHART CITY COUNCIL
July 15, 2025
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 discussion regarding the Interlocal Agreement (ILA) with Capital Area Rural Transportation System (CARTS) for Fiscal Year 2025-2026. **5-60**
- B. Presentation and discussion regarding the proposed Fiscal Year 2025-2026 Budget for Guadalupe-Blanco River Authority (GBRA) for the Lockhart Water and Wastewater Treatment Plants. **61-72**
- C. Discuss entering into a Memorandum of Understanding (MOU) between Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding participation in the WaterSECURE project. **73-96**
- D. Discuss the 3rd Quarter Fiscal Year 2025 Investment Report. **97-106**
- E. Discuss Resolution 2025-23, suspending the August 19, 2025, effective date of the proposal by Texas Gas Service Company, a division of One Gas, Inc., Central-Gulf Service Area, to implement gas utility rate increases. **107-111**
- F. Discuss Resolution 2025-22, delaying action on an ordinance authorizing City of Lockhart, Texas combination tax and revenue certificates of obligation in an amount not to exceed \$20,000,000; and other matters related thereto. **112-113**
- G. Discuss the City Council minutes of the July 16, 2024, July 23, 2024, July 24, 2024, and August 6, 2024 meetings. **114-137**
- H. Discussion regarding a request from Councilmember Castillo to initiate possible amendments to Chapter 64, Zoning, to prohibit manufactured housing in residential zoning districts. **138-144**
- I. Discussion regarding the City of Lockhart's activities to commemorate and celebrate the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026. **145-146**

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. CONSENT AGENDA

- A. Receive the 3rd Quarter Fiscal Year 2025 Investment Report. **147-156**
- B. Approve Resolution 2025-23, suspending the August 19, 2025, effective date of the proposal by Texas Gas Service Company, a division of One Gas, Inc., Central-Gulf Service Area, to implement gas utility rate increases. **157-161**
- C. Approve the City Council minutes of the July 16, 2024, July 23, 2024, July 24, 2024, and August 6, 2024 meetings. **162-185**

5. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action regarding the proposed Fiscal Year 2025-2026 Budget for Guadalupe-Blanco River Authority (GBRA) for the Lockhart Water and Wastewater Treatment Plants. **186-197**
- B. Discussion and/or action regarding entering into a Memorandum of Understanding (MOU) between Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding participation in the WaterSECURE project. **198-221**
- C. Consider action to approve Resolution 2025-22, delaying action on an ordinance authorizing City of Lockhart, Texas combination tax and revenue certificates of obligation in an amount not to exceed \$20,000,000; and other matters related thereto. **222-223**
- D. Discussion and/or action regarding a request from Councilmember Castillo to initiate possible amendments to Chapter 64, Zoning, to prohibit manufactured housing in residential zoning districts. **224-230**
- E. Discussion and/or action regarding the City of Lockhart's activities to commemorate and celebrate the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026. **231-232**

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

- Residential Subdivision Development Map has been updated.
- Neighborhood Watch meeting for northwest District One residents will be held July 16.
- Next Courthouse Nights event is planned for July 18, with Los Juanos performing.
- Movies in the Park - Saturday, July 19
- Ribbon cutting for new Borchert Loop Elementary School is scheduled for August 2 at 9 a.m.
- July 23 at 6 p.m. - FY 25-26 Budget Workshop: Capital Improvement Projects.
- July 24 at 6 p.m. - FY 25-26 Budget Workshop: continued discussions of the working budget.

7. COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST

8. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.087 TO DELIBERATE OR FOR DISCUSSION REGARDING COMMERCIAL OR FINANCIAL INFORMATION THAT THE GOVERNMENTAL BODY HAS RECEIVED FROM A BUSINESS PROSPECT THAT THE GOVERNMENTAL BODY SEEKS TO HAVE LOCATE, STAY, OR EXPAND IN OR NEAR THE TERRITORY OF THE GOVERNMENTAL BODY AND WITH WHICH THE GOVERNMENTAL BODY IS CONDUCTING ECONOMIC DEVELOPMENT NEGOTIATIONS; OR TO DELIBERATE THE OFFER OF A FINANCIAL OR OTHER INCENTIVE TO A BUSINESS PROSPECT.

- A. Discussion regarding economic development negotiations with Project CA-247.

9. EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.072 - TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE OR VALUE OF REAL PROPERTY IF DELIBERATION IN AN OPEN MEETING WOULD HAVE A DETRIMENTAL EFFECT ON THE POSITION OF THE GOVERNMENTAL BODY IN NEGOTIATIONS WITH A THIRD PERSON and SECTION 551.071 – CONSULTATION WITH ATTORNEY TO DISCUSS LEGAL ISSUES RELATED THERETO.

- A. Discussion regarding five utility easements located on properties addressed as 215 S Commerce Street, 111 E Prairie Lea Street, 110 E Market Street, 112 Market Street, and 116 E Market Street,

Lockhart, Caldwell County, Texas are necessary for the construction of the Lockhart Square Utility Project.

10. **EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF THE GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.074- TO DELIBERATE THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE.**

- A. Discussion regarding appointment for the anticipated City Manager vacancy.

11. **OPEN SESSION**

- A. Discussion and/or action regarding economic development negotiations with Project CA-247.
- B. Discussion and/or action regarding five utility easements located on properties addressed as 215 S Commerce Street, 111 E Prairie Lea Street, 110 E Market Street, 112 Market Street, and 116 E Market Street, Lockhart, Caldwell County, Texas are necessary for the construction of the Lockhart Square Utility Project.
- C. Discussion and/or action regarding appointment for the anticipated City Manager vacancy.

12. **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 July 11, 2025 at 4 p.m.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Presentation and discussion regarding the Interlocal Agreement (ILA) with Capital Area Rural Transportation System (CARTS) for Fiscal Year 2025-2026.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: On June 18, 2025, David Marsh, CARTS General Manager, submitted a funding request letter to staff for the City's Fiscal Year 2025-2026 budget for City Council consideration. CARTS is requesting \$40,000 to be approved by City Council for the upcoming fiscal year.

Previously, City Council approved an Interlocal Agreement with CARTS in August 2023 to include a \$20,000 contribution for Fiscal Year 2023-2024. In 2024, City Council approved the First Addendum to the ILA with CARTS to include a \$30,000 contribution for Fiscal Year 2024-2025.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required: \$40,000

Account Number: 100-5101-711-00

Funds Available: TBD

Account Name: CARTS

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff request a consensus from City Council on funding for Fiscal Year 2025-2026. Staff will return at a future meeting with a draft addendum for review and approval.

LIST OF SUPPORTING DOCUMENTS: CARTS - FYE 2026 Funding Request, CARTS-City of Lockhart Interlocal Agreement, CARTS - First Addendum to ILA, CARTS Presentation 2025, CARTS - Facility Feasibility



June 18, 2025

Mayor Lew White
City of Lockhart
PO Box 239
Lockhart, TX 78644

THE CARTS DISTRICT
5300 Tucker Hill Ln
Cedar Creek, TX 78612

PO Box 2107
Bastrop, TX 78602-9107

512/481 1011
f 512/478 1110

RideCARTS.com

Regional transportation for the
non-urbanized areas of Bastrop,
Blanco, Burnet, Caldwell,
Fayette, Hays, Lee, Llano,
Travis and Williamson counties.

Dear Mayor White:

The Capital Area Rural Transportation System (CARTS) formally submits this letter as a request for \$40,000 to be included in the city budget for the upcoming fiscal year. These funds will be used to support transportation services in the City of Lockhart. CARTS, with your continued support, will continue its mission to provide safe, reliable transportation to our service area.

A CARTS representative is available to address the City Council during the budget process if you wish. We are happy to provide information to the council for consideration on the service provided to your citizens, just let us know.

On behalf of CARTS, and the people we serve in your city, thanks for the past assistance and for your consideration of this request

Let me know if I can provide additional information about our services prior to that time. You can contact me at (512) 505-5678 or Dave@RideCARTS.com.

Sincerely,

David Marsh
General Manager

cc: Commissioner Rusty Horne
cc: City Manager Steven Lewis

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF LOCKHART
AND CAPITAL AREA RURAL TRANSPORTATION SYSTEM**

This **INTERLOCAL AGREEMENT** (this "Agreement") is made and entered by and between the CAPITAL AREA RURAL TRANSPORTATION SYSTEM ("CARTS"), a rural transit district and political subdivision organized under Chapter 458 of the Texas Transportation Code, and the CITY OF LOCKHART, TEXAS (the "City"), a home-rule municipality and political subdivision of the State of Texas.

RECITALS

WHEREAS, this Agreement is an interlocal agreement authorized and governed by Chapter 791 of the Texas Government Code; and

WHEREAS, CARTS and City are entities with statutory authority to enter into this Agreement, and have each entered into this Agreement by the action of their respective governing bodies in the appropriate manner prescribed by law; and

WHEREAS, CARTS and City have determined that it is in their mutual best interest and in the best interest of the public for the parties to provide certain affordable public transportation services, and further find that this Agreement will increase the efficiency and effectiveness of the parties' provision of those certain public transportation services; and

WHEREAS, CARTS and City desire to continue to participate in the funding for and provision of those certain public transportation services.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

I. FINDINGS

- 1.1 Recitals Incorporated.** The recitals set forth above and herein are true and correct, and such recitals are incorporated herein for all purposes.
- 1.2 Effective Date.** This Agreement will be effective on the latest date of execution by the parties hereto (the "Effective Date").
- 1.3 Current Revenue Provision.** All monies paid by the parties under this Agreement shall be paid from current revenues available to the paying party.
- 1.4 Allowable Public Purpose.** CARTS and the City agree that CARTS, through its services, accomplishes a public purpose that benefits the city.

II. TERM

The term of this Agreement shall be for the period commencing on the Effective Date and ending on September 30, 2024, unless terminated earlier in accordance with applicable provisions herein. After September 30, 2024, this Agreement may continue in full force and effect on a month-to-month basis, on the same terms and conditions as are set forth herein, only upon the express written mutual agreement of the parties.

**III.
SERVICES TO BE PROVIDED BY CARTS**

CARTS agrees to continue to provide its existing services to City as described on Exhibit "A" attached hereto and made a part hereof, being general public transportation for residents of City per its published schedule for the City of Lockhart.

**IV.
PAYMENT BY CITY FOR SERVICES**

For CARTS' performance of services under this Agreement, City agrees to pay CARTS the lump sum amount of Twenty Thousand and No/100 Dollars (\$20,000.00). The schedule for City's payment of the lump sum amount under this Agreement shall be mutually agreed to by CARTS and City.

**V.
TERMINATION**

Either party may terminate this Agreement without cause upon thirty (30) days' prior written notice to the other party. If one party determines that the other party is in default under this Agreement, the non-defaulting party will notify the defaulting party in writing of such default, and if the default is not cured within thirty (30) days from the date of such notice, then the non-defaulting party may, in addition to any other remedies available to such party at law or in equity, terminate this Agreement upon written notice. Any failure by the non-defaulting party to enforce this Agreement with respect to one or more defaults by the defaulting party will not waive the non-defaulting party's ability to enforce this Agreement after that time. Upon termination of this Agreement pursuant to this Article V, all obligations of the parties under this Agreement shall cease and City shall only be required to pay for those services provided by CARTS up to the date of such termination.

**VI.
MISCELLANEOUS**

- 6.1 Amendment.** This Agreement shall not be altered, waived, amended, or extended without the parties' prior written agreement.
- 6.2 Assignment.** All provisions of this Agreement shall be binding upon the parties and each of their respective successors and assigns. Neither party shall assign its rights and obligations under this Agreement to any other party without the express prior written consent of the other party.
- 6.3 Notice.** All notices and other communications in connection with this Agreement shall be in writing and shall be deemed delivered upon deposit in the U.S. mail, with postage prepaid, certified mail, return receipt requested, addressed to the recipient's address as stated herein. Notice given in any other manner shall be deemed effective only if and when received by the party to be notified.

CITY:

City of Lockhart, Texas
308 W. San
Antonio
PO Box 239
Lockhart, Texas 78644
Attn: Steven Lewis, City Manager

CARTS:

Capital Area Rural Transportation
System Post Office Box 6050
Austin, TX 78762
Attn: David Marsh, General Manager

A party may change its address for notice by written notice to the other party as herein provided.

6.4 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

6.5 Prior Written Agreements. This Agreement is without regard to any and all prior written contracts or agreements between City and CARTS regarding any other subject or matter, and does not modify, amend, ratify, confirm or renew any such other prior contract or agreement between the parties.

6.6 Entire Agreement. This Agreement, and all appended documents, constitutes the entire agreement between the parties hereto regarding the subject matter hereof.

6.7 Parties Independent Contractors. City and CARTS are independent contractors. Except as expressly provided herein, no partnership or joint venture is intended to be created by this Agreement, nor any principal-agent or employer-employee relationship.

Except to the extent expressly provided herein, neither party has and neither party shall attempt to assert the authority to make commitments for or to bind the other party to any obligation.

6.8 No Waiver. The parties to this Agreement are governmental entities under state law and nothing in this Agreement waives or relinquishes the right of the parties to claim any exemptions, privileges and immunities as may be provided by law.

6.9 Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligation of the parties shall be construed and enforced in accordance therewith. The parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.

6.10 Headings. The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.

6.11 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date above first written, when all parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

6.12 Insurance. CARTS agrees to maintain in full force and effect all forms of insurance required by applicable local, state and federal regulatory authorities in at least the minimum amounts prescribed by those authorities. CARTS shall furnish written certificates of such coverage to the City upon request. The City shall be named as an additional insured under all policies for such required insurance.

6.13 Indemnification. To the extent allowed by law, a party will defend, indemnify, and hold harmless the other party for all claims and damages arising from the alleged acts or omissions of the party's employees or contractors. However, nothing in this Agreement shall require a party to establish an interest and sinking fund in connection with its indemnity obligations hereunder.

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective undersigned duly authorized officers on the dates set forth below, to be effective as of the Effective Date.

CITY:

CITY OF LOCKHART, TEXAS

By: Lew White Name: LEW WHITE Title: MAYOR

Date Signed: 8/15/23

FOR CITY, ATTEST:

FOR CITY, APPROVED AS TO FORM:

By: Julie Bowman
JULIE BOWMAN, City Secretary

By: Monte Akers
Monte Akers, City Attorney

CARTS:

CAPITAL AREA RURAL TRANSPORTATION SYSTEM

By: David L. Marsh
David L. Marsh, General Manager

Date Signed: August 25, 2023

EXHIBIT "A"

CARTS *Now* Microtransit Service

CARTS Country Bus Service

CARTS Interurban Coach service

**FIRST ADDENDUM TO INTERLOCAL COOPERATION AGREEMENT
BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM AND
THE CITY OF LOCKHART**

WHEREAS, Capital Area Rural Transportation System ("CARTS") and the City of Lockhart ("City") entered a certain agreement entitled "Interlocal Cooperation Agreement Between The City of Lockhart and Capital Area Rural Transportation System" ("Agreement") on August 25, 2023, a true and correct copy of which is attached hereto as Exhibit "A"; and

WHEREAS, whereas, the City desires to enter into an addendum to that Agreement whereby the City and CARTS agree that the Agreement will continue on a month-to-month basis on the same terms and conditions after September 30, 2025; and

WHEREAS, the City desires to enter an addendum to that Agreement whereby the City agrees that it will increase the lump sum amount for payment of CARTS's services identified in Article IV to \$30,000.00; and

WHEREAS, the City agrees that such an addendum to the Agreement is desirable; and

WHEREAS, the City and CARTS desire to keep the remaining terms of the Agreement intact and unchanged;

NOW THEREFORE, inconsideration of the mutual covenants and agreements of the Parties thereto, it is agreed that the Agreement is amended to include the following:

**Article II.
TERM**

The term of this Agreement shall be for the period commencing on the Effective Date and ending on September 30, 2025, unless terminated earlier in accordance with applicable provisions herein. After September 30, 2025, this Agreement may continue in full force and effect on a month-to-month basis, on the same terms and conditions as are set forth herein, and is expressly agreed upon by the parties.

**Article IV.
PAYMENT BY CITY FOR SERVICES**

For CARTS' performance of services under this Agreement, City agrees to pay CARTS the lump sum amount of Thirty Thousand and No/100 Dollars (\$30,000.00). The schedule for the City's payment of the lump sum amount under this Agreement shall be mutually agreed to by CARTS and City.

The remainder of the Agreement terms and conditions shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Addendum to the Interlocal Cooperation Agreement as of the 20th day of August 2024.

CITY OF LOCKHART, TEXAS

By Lew White
Lew White
Mayor, City of Lockhart

ATTEST:

By Julie Bowermon
Julie Bowermon,
City Secretary, City of Lockhart

APPROVED AS TO FORM:

By Bradford E. Bullock
Bradford E. Bullock,
City Attorney, City of Lockhart

CAPITAL AREA RURAL
TRANSPORTATION SYSTEM

By David L. Marsh
David L. Marsh,
General Manager, Capital Area Rural
Transportation System

EXHIBIT 1

INTERLOCAL AGREEMENT BETWEEN THE CITY OF LOCKHART AND CAPITAL AREA RURAL TRANSPORTATION SYSTEM

This **INTERLOCAL AGREEMENT** (this "Agreement") is made and entered by and between the **CAPITAL AREA RURAL TRANSPORTATION SYSTEM ("CARTS")**, a rural transit district and political subdivision organized under Chapter 458 of the Texas Transportation Code, and the **CITY OF LOCKHART, TEXAS** (the "City"), a home-rule municipality and political subdivision of the State of Texas.

RECITALS

WHEREAS, this Agreement is an interlocal agreement authorized and governed by Chapter 791 of the Texas Government Code; and

WHEREAS, CARTS and City are entities with statutory authority to enter into this Agreement, and have each entered into this Agreement by the action of their respective governing bodies in the appropriate manner prescribed by law; and

WHEREAS, CARTS and City have determined that it is in their mutual best interest and in the best interest of the public for the parties to provide certain affordable public transportation services, and further find that this Agreement will increase the efficiency and effectiveness of the parties' provision of those certain public transportation services; and

WHEREAS, CARTS and City desire to continue to participate in the funding for and provision of those certain public transportation services.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

I. FINDINGS

1.1 Recitals Incorporated. The recitals set forth above and herein are true and correct, and such recitals are incorporated herein for all purposes.

1.2 Effective Date. This Agreement will be effective on the latest date of execution by the parties hereto (the "Effective Date").

1.3 Current Revenue Provision. All monies paid by the parties under this Agreement shall be paid from current revenues available to the paying party.

1.4 Allowable Public Purpose. CARTS and the City agree that CARTS, through its services, accomplishes a public purpose that benefits the city.

II. TERM

The term of this Agreement shall be for the period commencing on the Effective Date and ending on September 30, 2024, unless terminated earlier in accordance with applicable provisions herein. After September 30, 2024, this Agreement may continue in full force and effect on a month-to-month basis, on the same terms and conditions as are set forth herein, only upon the express written mutual agreement of the parties.

EXHIBIT 1

III. SERVICES TO BE PROVIDED BY CARTS

CARTS agrees to continue to provide its existing services to City as described on Exhibit "A" attached hereto and made a part hereof, being general public transportation for residents of City per its published schedule for the City of Lockhart.

IV. PAYMENT BY CITY FOR SERVICES

For CARTS' performance of services under this Agreement, City agrees to pay CARTS the lump sum amount of Twenty Thousand and No/100 Dollars (\$20,000.00). The schedule for City's payment of the lump sum amount under this Agreement shall be mutually agreed to by CARTS and City.

V. TERMINATION

Either party may terminate this Agreement without cause upon thirty (30) days' prior written notice to the other party. If one party determines that the other party is in default under this Agreement, the non-defaulting party will notify the defaulting party in writing of such default, and if the default is not cured within thirty (30) days from the date of such notice, then the non-defaulting party may, in addition to any other remedies available to such party at law or in equity, terminate this Agreement upon written notice. Any failure by the non-defaulting party to enforce this Agreement with respect to one or more defaults by the defaulting party will not waive the non-defaulting party's ability to enforce this Agreement after that time. Upon termination of this Agreement pursuant to this Article V, all obligations of the parties under this Agreement shall cease and City shall only be required to pay for those services provided by CARTS up to the date of such termination.

VI. MISCELLANEOUS

- 6.1 Amendment.** This Agreement shall not be altered, waived, amended, or extended without the parties' prior written agreement.
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- 6.3 Notice.** All notices and other communications in connection with this Agreement shall be in writing and shall be deemed delivered upon deposit in the U.S. mail, with postage prepaid, certified mail, return receipt requested, addressed to the recipient's address as stated herein. Notice given in any other manner shall be deemed effective only if and when received by the party to be notified.

CITY:

City of Lockhart, Texas
308 W. San
Antonio
PO Box 239
Lockhart, Texas 78644
Attn: Steven Lewis, City Manager

CARTS:

Capital Area Rural Transportation
System Post Office Box 6050
Austin, TX 78762
Attn: David Marsh, General Manager

EXHIBIT 1

A party may change its address for notice by written notice to the other party as herein provided.

- 6.4 Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- 6.5 Prior Written Agreements.** This Agreement is without regard to any and all prior written contracts or agreements between City and CARTS regarding any other subject or matter, and does not modify, amend, ratify, confirm or renew any such other prior contract or agreement between the parties.
- 6.6 Entire Agreement.** This Agreement, and all appended documents, constitutes the entire agreement between the parties hereto regarding the subject matter hereof.
- 6.7 Parties Independent Contractors.** City and CARTS are independent contractors. Except as expressly provided herein, no partnership or joint venture is intended to be created by this Agreement, nor any principal-agent or employer-employee relationship.
Except to the extent expressly provided herein, neither party has and neither party shall attempt to assert the authority to make commitments for or to bind the other party to any obligation.
- 6.8 No Waiver.** The parties to this Agreement are governmental entities under state law and nothing in this Agreement waives or relinquishes the right of the parties to claim any exemptions, privileges and immunities as may be provided by law.
- 6.9 Severability.** If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligation of the parties shall be construed and enforced in accordance therewith. The parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.
- 6.10 Headings.** The headings and section numbers are for convenience only and shall not be considered in interpreting or construing this Agreement.
- 6.11 Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date above first written, when all parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.
- 6.12 Insurance.** CARTS agrees to maintain in full force and effect all forms of insurance required by applicable local, state and federal regulatory authorities in at least the minimum amounts prescribed by those authorities. CARTS shall furnish written certificates of such coverage to the City upon request. The City shall be named as an additional insured under all policies for such required insurance.
- 6.13 Indemnification.** To the extent allowed by law, a party will defend, indemnify, and hold harmless the other party for all claims and damages arising from the alleged acts or omissions of the party's employees or contractors. However, nothing in this Agreement shall require a party to establish an interest and sinking fund in connection with its indemnity obligations hereunder.

EXHIBIT 1

IN WITNESS WHEREOF, the parties have executed this Agreement by their respective undersigned duly authorized officers on the dates set forth below, to be effective as of the Effective Date.

CITY:

CITY OF LOCKHART, TEXAS

By: Lew White Name: LEW WHITE Title: MAYOR
Date Signed: 8/15/23

FOR CITY, ATTEST:

FOR CITY, APPROVED AS TO FORM:

By: Julie Boweamon
JULIE BOWEAMON, City Secretary

By: Monte Akers
Monte Akers, City Attorney

CARTS:

CAPITAL AREA RURAL TRANSPORTATION SYSTEM

By: David L. Marsh
David L. Marsh, General Manager
Date Signed: August 25, 2023

EXHIBIT 1

EXHIBIT "A"

CARTS *Now* Microtransit Service

CARTS Country Bus Service

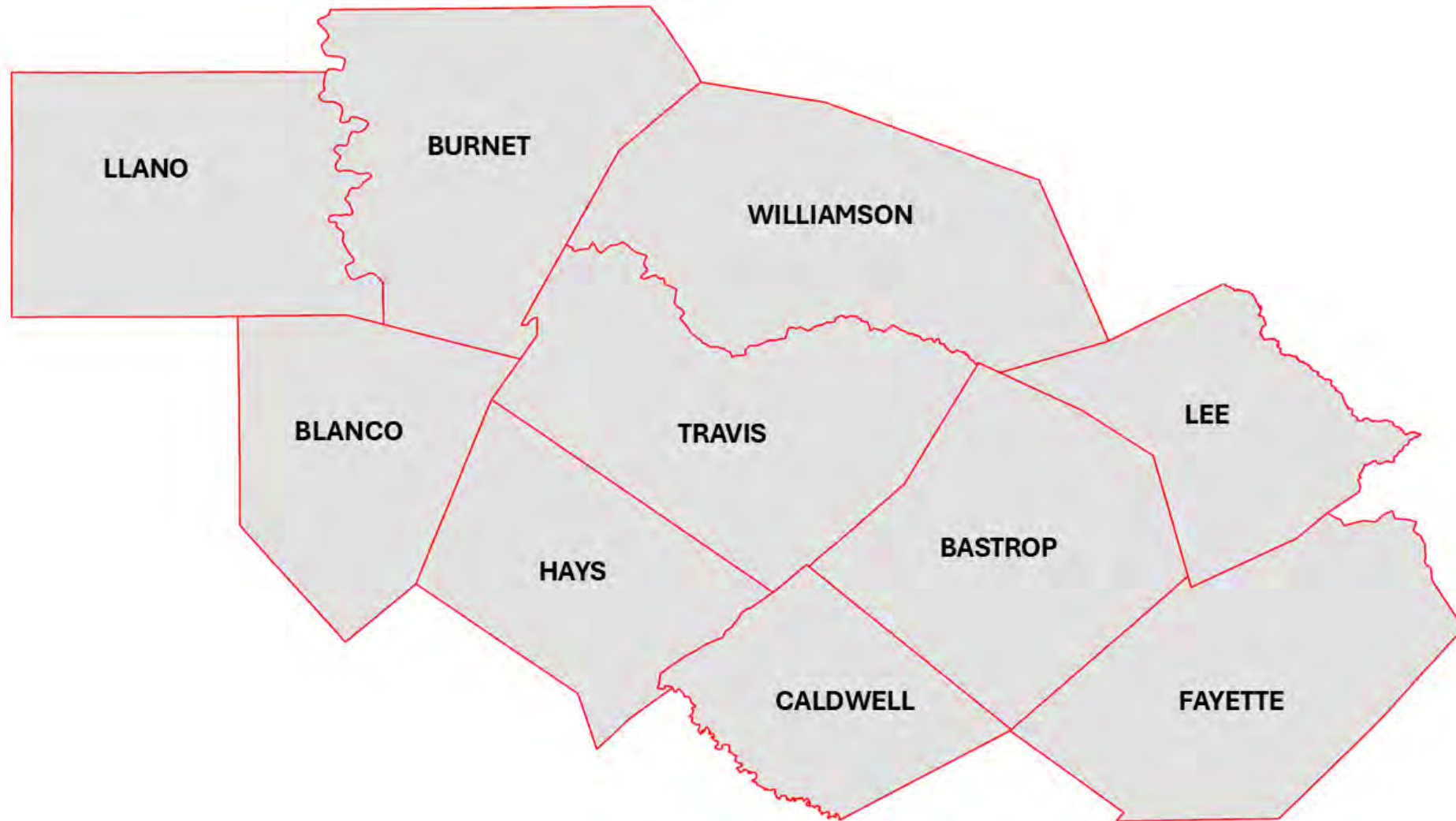
CARTS Interurban Coach service

CARTS in Lockhart



July
2025

CARTS Service Area – Llano County incorporated in March 2025



Meet the Fleet



Interurban Coach

Fixed-schedule rides for commutes into urban areas or trips between rural areas



Grasshopper

Call-ahead connections in Austin for Interurban Coach riders who are 65 & older or ADA eligible

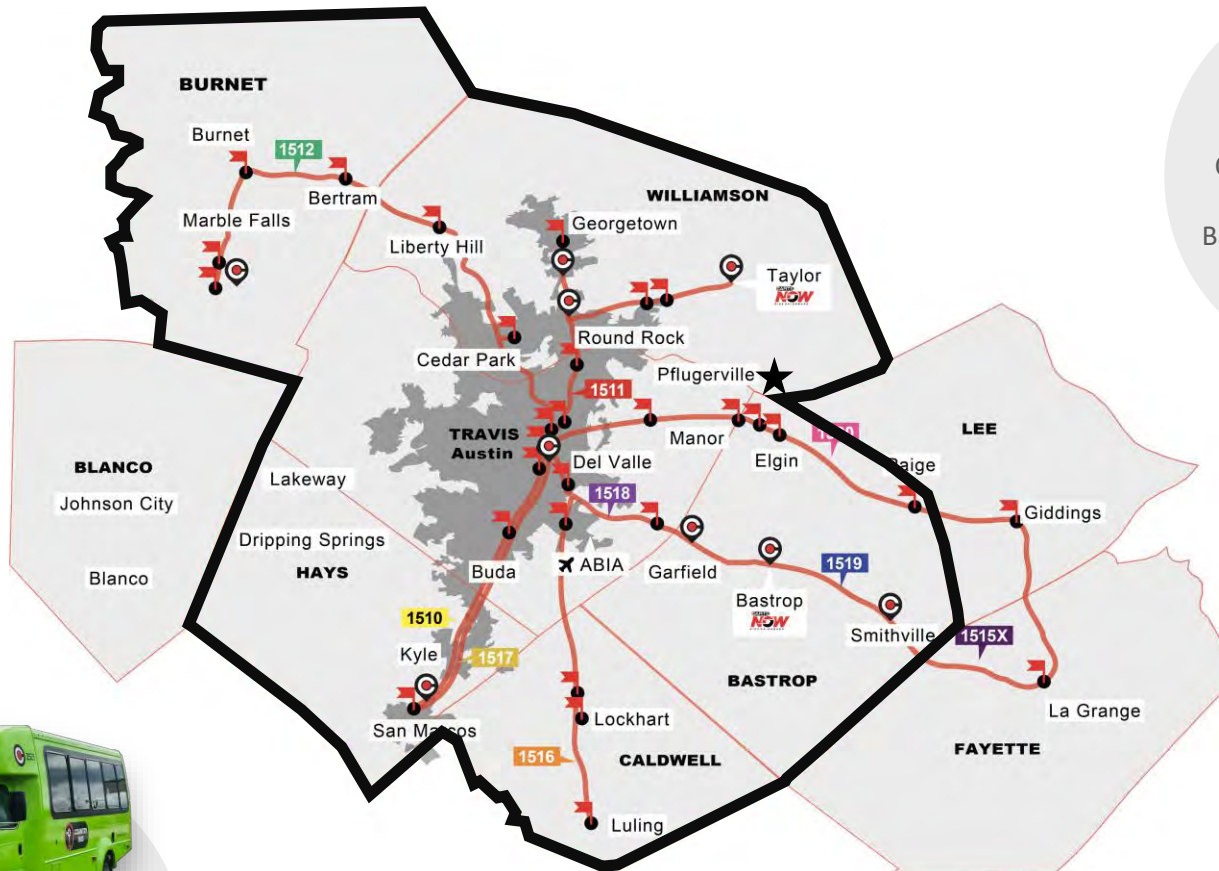


Country Bus

Call-ahead rides to and from anywhere in the CARTS district



Scan to sign up for CARTS updates



Legend

- Country Bus Service Area
- Interurban Coach Routes
- Interurban Coach Stops
- CARTS Now
- CAMPO Region
- CARTS Stations (National Intercity Connections)
- Urban Service Area
 - Grasshopper
 - Austin: CapMetro
 - San Marcos: The Bus



CARTS Now

On-demand rides to and from anywhere within Bastrop and Taylor – more cities coming soon!



National Intercity

Fixed-schedule connections and passenger & freight ticket to Greyhound lines. Direct connections to AMTRAK at San Marcos Station



CapMetro Stations

Fixed-schedule stops at CapMetro stations in the Austin area



CARTS NOW currently operates in Lockhart, Marble Falls, Bastrop, Elgin , La Grange and Taylor.



CARTS NOW **on-demand** **Service**

On-demand microtransit

- Curb to curb rides within 15 minutes
- Monday-Friday, 7am-7pm

How to Book:

- Set pickup and drop-off locations in CARTS Now app
- Call CARTS Now service line (512)505-5666

MORE RIDES, LESS WAIT—CARTS NOW EXPANDS IN LOCKHART & BASTROP!

You asked, we delivered! Thanks to record-breaking ridership, we're adding an extra vehicle to the CARTS NOW on-demand service zones in Lockhart and Bastrop. This means faster pickups and shorter wait times, especially during peak hours!

MONDAY THROUGH FRIDAY 7AM TO 7PM
ALSO AVAILABLE IN TAYLOR, MARBLE FALLS,
ELGIN AND LA GRANGE



CARTS

+ Haven't tried it yet? Download the app and ride on demand today!

#MoreRides

#LessWait

#CARTSNOW 🚐

The March 2025 expansion has delivered:

15.5% more riders per month

Faster ETA and better

responsiveness

High utilization of wheelchair-

accessible service

Strong customer satisfaction

And growing reliance on tech-based self-service booking.

CARTS NOW Lockhart: Expanded Capacity & Growing Impact

Rider Growth Since Vehicle Expansion

When we added a **third vehicle in March 2025**, we saw a clear increase in usage and reliability:

Month	Completed Trips	% Change from Feb
Feb 2025	2,351	—
Mar 2025	2,524	+7.4%
Apr 2025	2,970	+26.3%
May 2025	3,045	+29.5%
Jun 2025	2,979	+26.7%

 **Average monthly completed trips BEFORE vehicle added (Sept–Feb): 2,492**

 **Average AFTER vehicle added (Mar–Jun): 2,879**

 **Increase in average completed trips: +15.5%**



Faster Response Times

June ETA (Estimated Time of Arrival): 13.4 minutes

Among the **fastest across all CARTS NOW zones** as compared to Taylor (**22.9 min**) and Bastrop (**15.4 min**)



Rider Experience

Completed Trips (June): 2,979

Shared Bookings: 37.5% (supporting multiple riders per trip)

Wheelchair Accessible Trips: 5.37% — 160 completed trips

Highly rated trips: 507 received a 5-star rating (20.4% of all rated trips)



Productivity & Efficiency

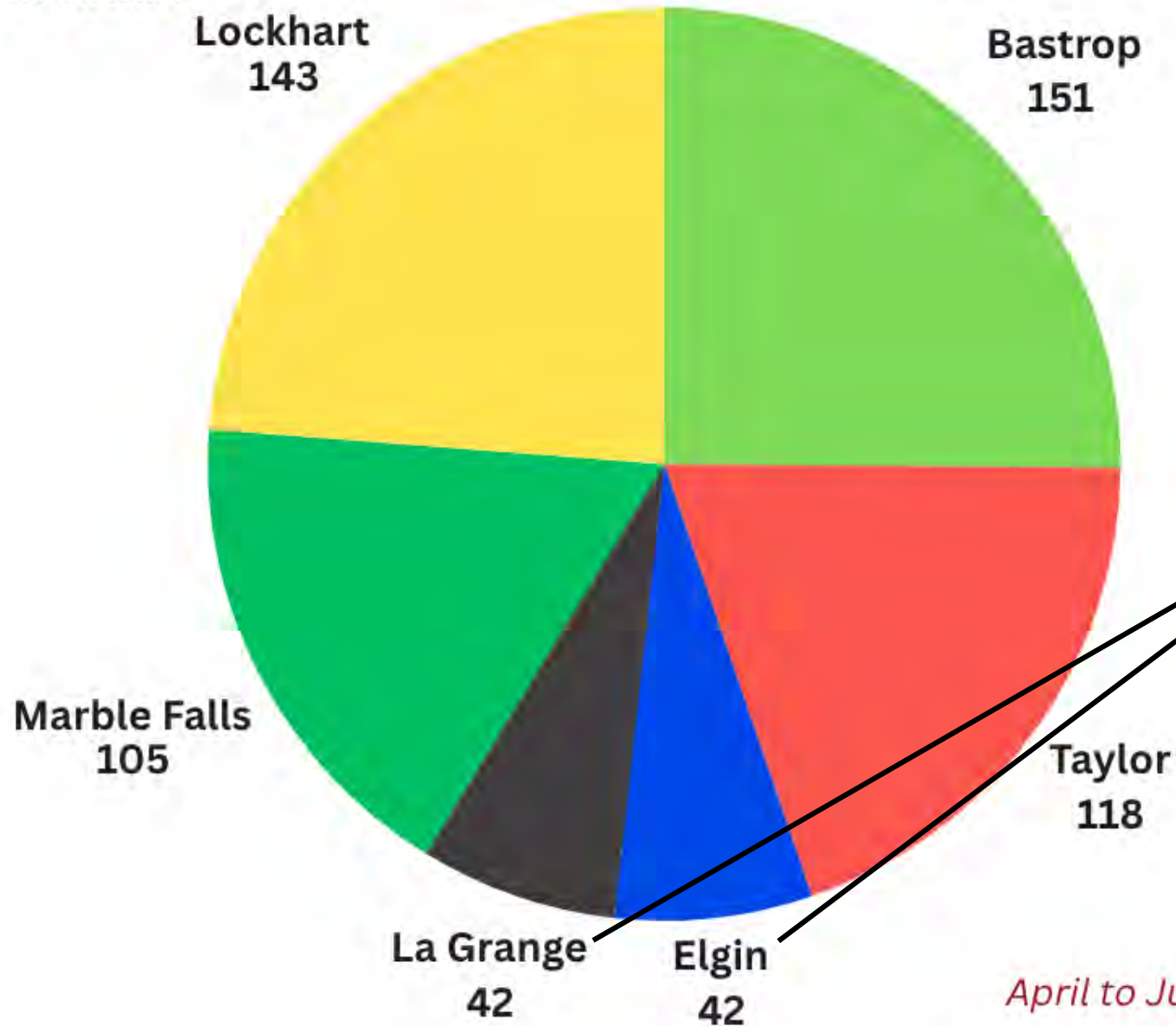
June Productivity: 5.0 trips/hour — **on par with Marble Falls and Taylor**

Driver Hours: 649.9 hours in June, supporting high demand



Digital Adoption in Lockhart 75% of riders booked trips through the app — reducing strain on call center staff and improving service efficiency.

Daily Passenger Trips



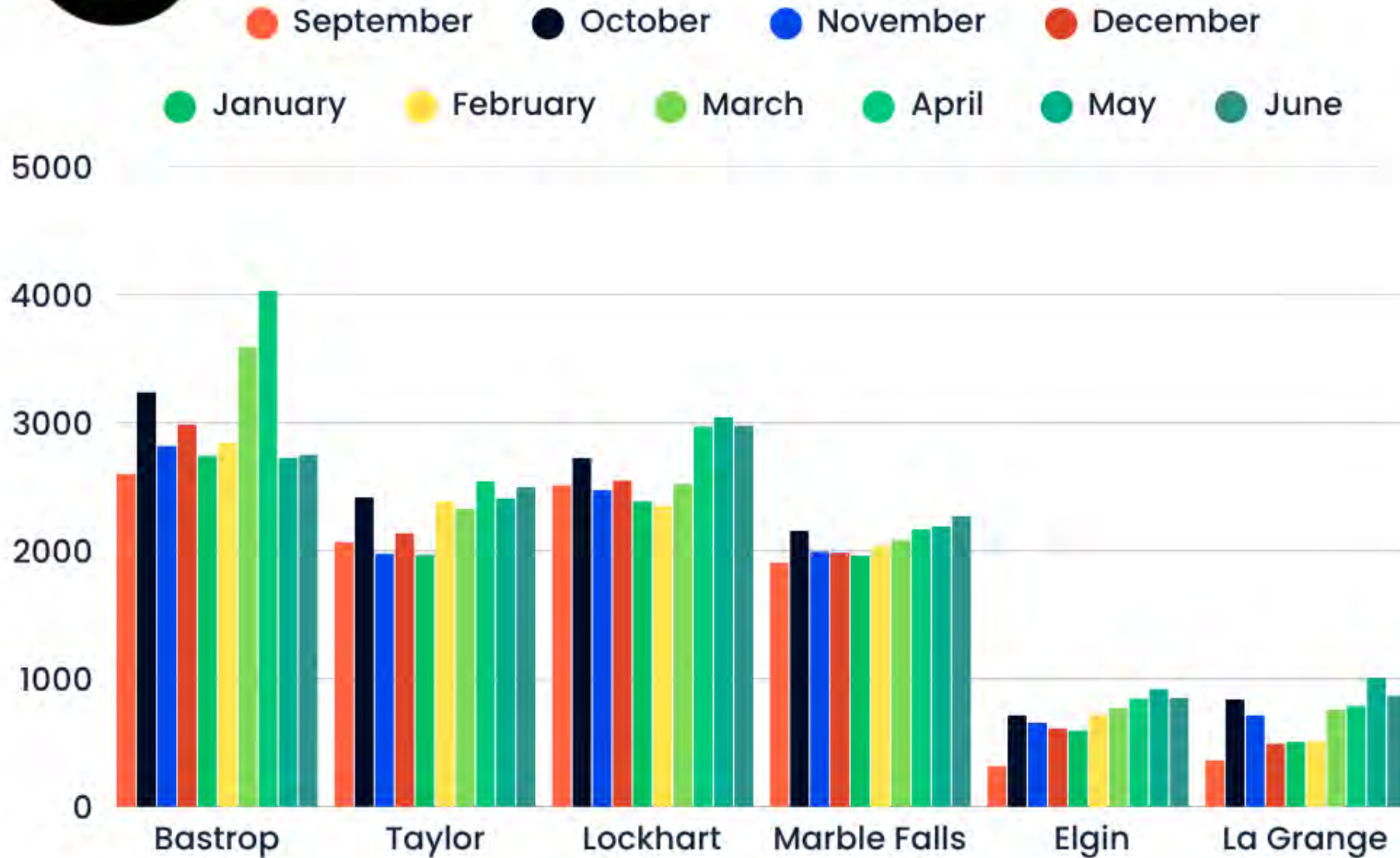
Elgin and La Grange
are one vehicle
operated zones
established in
September 2024.

April to June 2025



CARTS NOW RIDERSHIP

CARTS NOW passenger trips from September 2024 – March 2025



Lockhart Facility Feasibility

Preliminary Site Selection

Capital Area Rural Transportation System (CARTS)

November 12, 2024

UPDATED POST SITE VISIT



Click link to review the full report. This report was emailed to council May 9, 2025.



Coordination

9/24/24 Kick off meeting with CARTS

- Established minimum parcel size of .25 acres
 - Anticipated design will most closely resemble Elgin Station
 - Parking desirable but only if larger site is feasible
 - Additional space for operations also desirable but not likely at a central community location
- Centrally location preferred (SH 183 corridor) with strong community connection
- Reviewed selection criteria and approach
 - Preliminary review
 - City interviews
 - Site visit
 - Final prioritized recommended potential sites in memo with map

Informal Discussions with City of Lockhart

- Met with Asst. City Manager, Planning Director, and Public Works Director
- CARTS and City both interested in the station and partnership
- Some ideas of potential parcels shared (reflected on the maps in this deck)

11/8/2024 On-Site Visit (CARTS & City of Lockhart)

- Visited 21 preliminary parcels
- Discussed perspectives on overall priorities of each stakeholder



Preliminary Criteria (pre site visit)

Size

At least 0.25 acres (prototype: Elgin Station)

Stakeholder Engagement

City of Lockhart shared ideas for potential locations; both public and private parcels

Land Use/Zoning

Sites considered based on existing zoning and appraisal data

Fatal Flaws

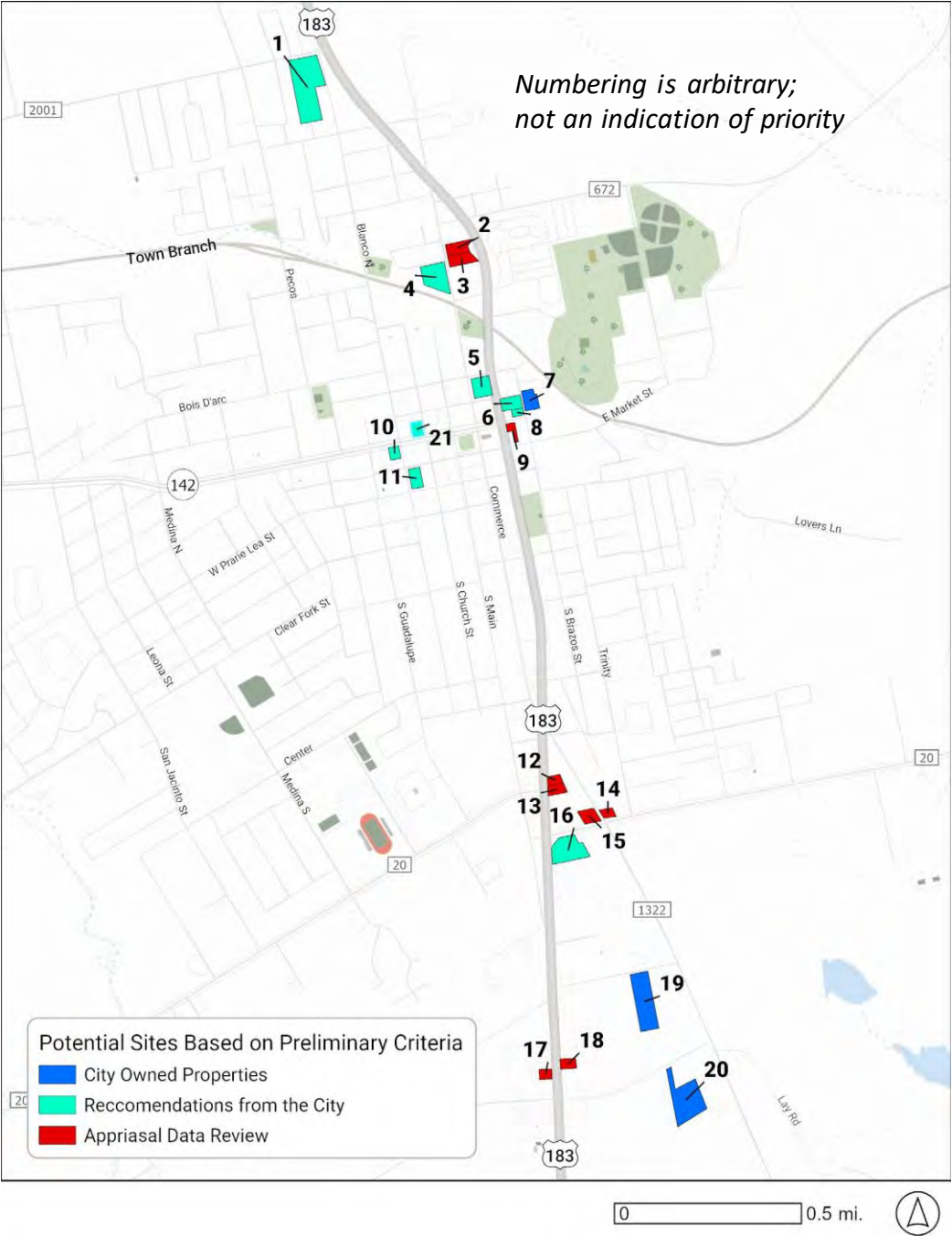
Sites reviewed for issues that would greatly affect site potential (i.e., flood plain, corridor proximity, prohibitive land uses, etc.)



Potential Sites (for site visit)

The table and map reflect the top 20 most compelling sites.
The site visit and the following analysis will narrow a top five or so sites for which TGC will populate additional information.

Key	Parcel	Acre	Market Value (\$)	Zoning	Bld Sqft	Source	Notes
1	33678	6.09	893,980	Light Industrial	12,142	City Idea	large lot, access, isolated
2	122076	1.00	350,000	Med Commercial		CAD scan	available status unknown
3	125134	1.10	538,180	Med Commercial		CAD scan	available status unknown
4	18403	2.28	190,580	Light Industrial		City Idea	no immediate issues
5	16995	1.31	1,038,707	Med Commercial	15,994	City Idea	large structure
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20	51164	4.14	290,130	Light Industrial		City Owned	isolated
21	16958	0.47	297,170	Med Commercial	450	City Idea	minimal demo



Station Sites (slide 1/2)

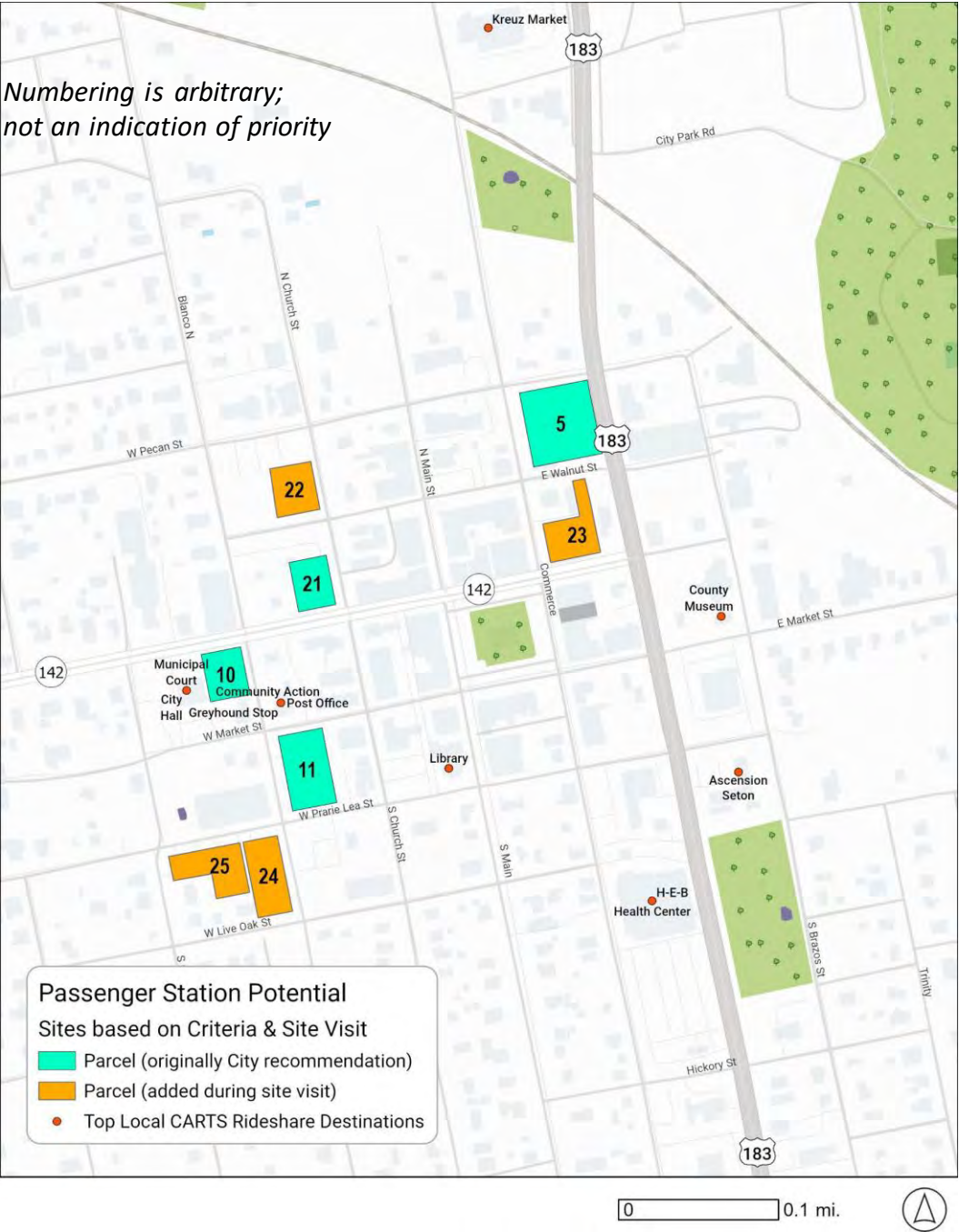
(post site visit)

The table & map reflect the eight parcels most interesting based on the City of Lockhart and CARTS site visit – and preliminary selection criteria.

Key	Parcel	Acre	Market Value (\$)	Zoning	Bld Sqft	Source	Notes
5	16995	1.31	1,038,707	Med Commercial	15,994	City Idea	demo large structure
10	20588	0.49	175,510	Med Commercial		City Idea	demo parking lot
11	16868	0.86	1,306,710	Med Commercial	9,770	City Idea	demo large structure
21	16958	0.47	297,170	Med Commercial	450	City Idea	minimal demo
22	17017	0.51	156,490	Med Commercial	-	Site Visit	no demo, church owned
23	16987	0.63	3,451,780	Med Commercial	10,128	Site Visit	repurpose/demo, private
24	34343	0.64	923,410	Med Commercial	8,259	Site Visit	demo, church owned
25	34344	0.70	211,870	Med Commercial	648	Site Visit	minimal demo, church owned

Key Sorting Criteria per Site Visit Conversations

- Preferences for parcel utilization
 - Little to no required demolition
 - Preference for no re-use of structures
 - Preference for long-term land lease over outright purchase (especially private)
- Proximity to civic uses & resources beneficial
 - Civic uses: restrooms, parking for events, etc.
 - Civic resources: city hall, post office, police, etc.
 - Pedestrian access across highways to east-side of community
- Access to/from site
- Locate within 1-2 blocks of highways
- Preference for two access streets (corner, alley, etc.)
- Avoid unprotected left turns across SH142 or US183



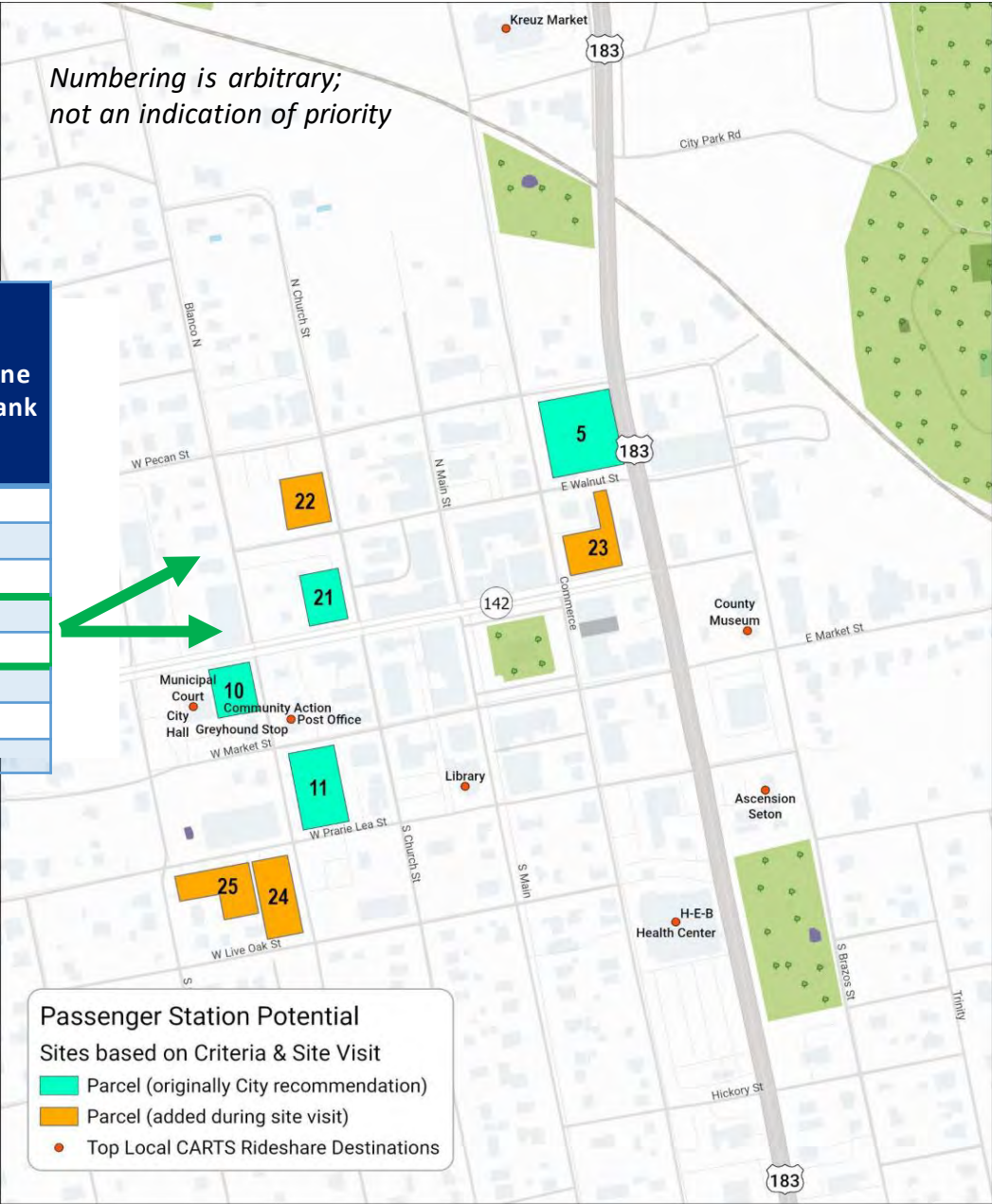
Station Sites (slide 2/2)

(post site visit)

Key	Parcel	Utilization		Civic			Access			Combined Rank
		Demolition / Re-use	Lease vs. Purchase	Other Public Uses	Near Resources	Pedestrian Access to East	Near Highway	Access Streets	Protected Turns	
5	16995	3	3	1	3	2	2	1	2	17
10	20588	2	3*	2	1	3	2	2	2	17
11	16868	3	3	1	1	3	2	1	1	15
21	16958	1	2	1	1	3	1	1	2	12
22	17017	1	1	1	2	3	2	2	1	13
23	16987	3	3	1	2	1	1	2	2	15
24	34343	2	2	2	2	3	3	2	1	17
25	34344	1	1	2	2	3	3	2	1	15

- Lower score = more feasible, desirable
- Parcel assigned 1, 2, or 3 for each criteria
- Parcels re-ordered based on combined ranking

* #10 (parcel 20588) is parking associated with the defunct Ford dealership building across SH142 and may be of interest to Austin Community College



Potential Park-and-Rides

(post site visit; lower, future priority)

The table and map reflect the few locations where CARTS and City of Lockhart staff agreed a park-and-ride may be feasible and desirable.

Provided for information only; TGC will provide no additional information on these sites in the forthcoming tech memo.

Key	Parcel	Acre	Market Value (\$)	Zoning	Bld Sqft	Source	Notes
1	33678	6.09	893,980	Light Industrial	12,142	City Idea	large lot, access, isolated
4	18403	2.28	190,580	Light Industrial		City Idea	no immediate issues

Location 1

TxDOT facility will soon be replaced and available for another public use or sale.

Parcel is larger than CARTS would use independently. If the City of Lockhart, or some other public partner, were to use the site then perhaps CARTS could utilize a portion.

Location 4

A vacant parcel near a trail and with sidewalk access to Downtown south of the railroad.

The rail tracks see about 6-8 trains per day.

Note: Other sites may exist; the group did not focus on identifying a short list of the strongest candidates for a parking facility.





Beginning August 1, CARTS Country Bus riders can book same-day trips directly through the new CARTS App, powered by Spare or with the Transit app. Riders will be able to book and pay for curb-to-curb service using the app—no phone call required. Trips can be scheduled for the same day or up to two weeks in advance. Service is available Monday through Friday, from 8:00 AM to 4:00PM.

CARTS Country Bus Service

This flexible, curb-to-curb transit service provides **local rides within rural Caldwell County and into the City of Lockhart. CARTS Country Bus is open to everyone**—offering curb-to-curb rides locally and connections to regional destinations

For example, CARTS offers trips to **San Marcos and Kyle Seton three times a week**—expanding access to healthcare, shopping, and other essential services beyond local boundaries.

512-478/RIDE (7433)

Did you know?

Free rides are available for seniors 60 and over on all CARTS Country Bus services!

You can now enjoy FREE rides on CARTS Country bus services covering Blanco, Burnet, Bastrop, Caldwell, Fayette, Lee, and the rural areas of Hays, Travis, and Williamson counties.



1

Seniors aged 60 and older, along with personal care attendants, can schedule rides at no cost.

2

The call taker will assist you in filling out the eligibility form and booking your trip hassle-free.

3

Whether it's for medical appointments, groceries, or leisure activities, CARTS has you covered.

Take advantage of prebooking for added convenience and stay connected with your community – book your ride today!

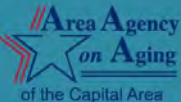


512-478-RIDE (7433)



Countrybus@RideCARTS.com

Funded in part by Texas Human Services and the Older Americans Act of 1965.



¿Sabías?

Hay viajes gratuitos disponibles para ¡Personas mayores de 60 años en todos los servicios de CARTS Country Bus!

Ahora puede disfrutar de viajes GRATUITOS en los servicios de autobús de CARTS Country que cubren los condados de Blanco, Burnet, Bastrop, Caldwell, Fayette, Lee y las áreas rurales de los condados de Hays, Travis y Williamson.



1

Las personas mayores de 60 años o más, junto con los asistentes de cuidado personal, pueden programar viajes sin costo alguno.

2

La persona que atiende la llamada lo ayudará a completar el formulario de elegibilidad y reservar su viaje sin problemas.

3

Ya sea para citas médicas, compras o actividades de ocio, CARTS lo tiene cubierto.

Aproveche la reserva previa para mayor comodidad y manténgase conectado con su comunidad: ¡reserve su viaje hoy!

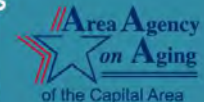


512-478-RIDE (7433)



Countrybus@RideCARTS.com

Financiado en parte por los Servicios Humanos de Texas y la Ley de Estadounidenses Mayores de 1965.





CARTS

Interurban

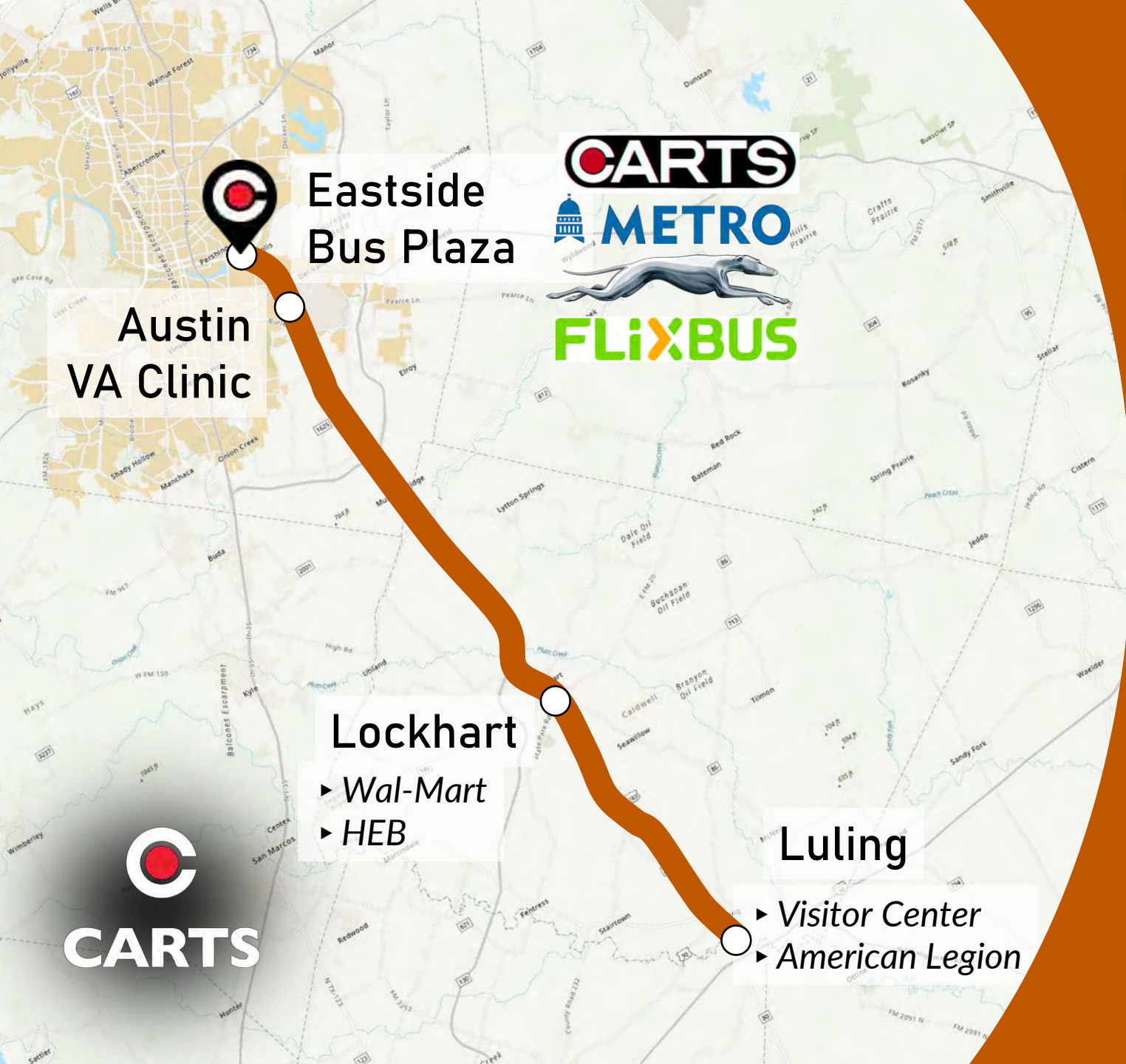
Coach Service

Fixed schedule rides form commutes into urban areas or trips between rural areas. Interurban Coach lines travel along major highways to service:

- Austin
- Bastrop
- Bertram
- Burnet
- Georgetown
- Liberty Hill
- Luling
- Lockhart
- Marble Falls
- Round Rock
- San Marcos
- Taylor
- Texas State University
- La Grange
- Giddings
- Paige
- Smithville
- Elgin
- ABIA Airport

The Interurban Coach also makes connections to Greyhound, Capital Metro, and Amtrak.





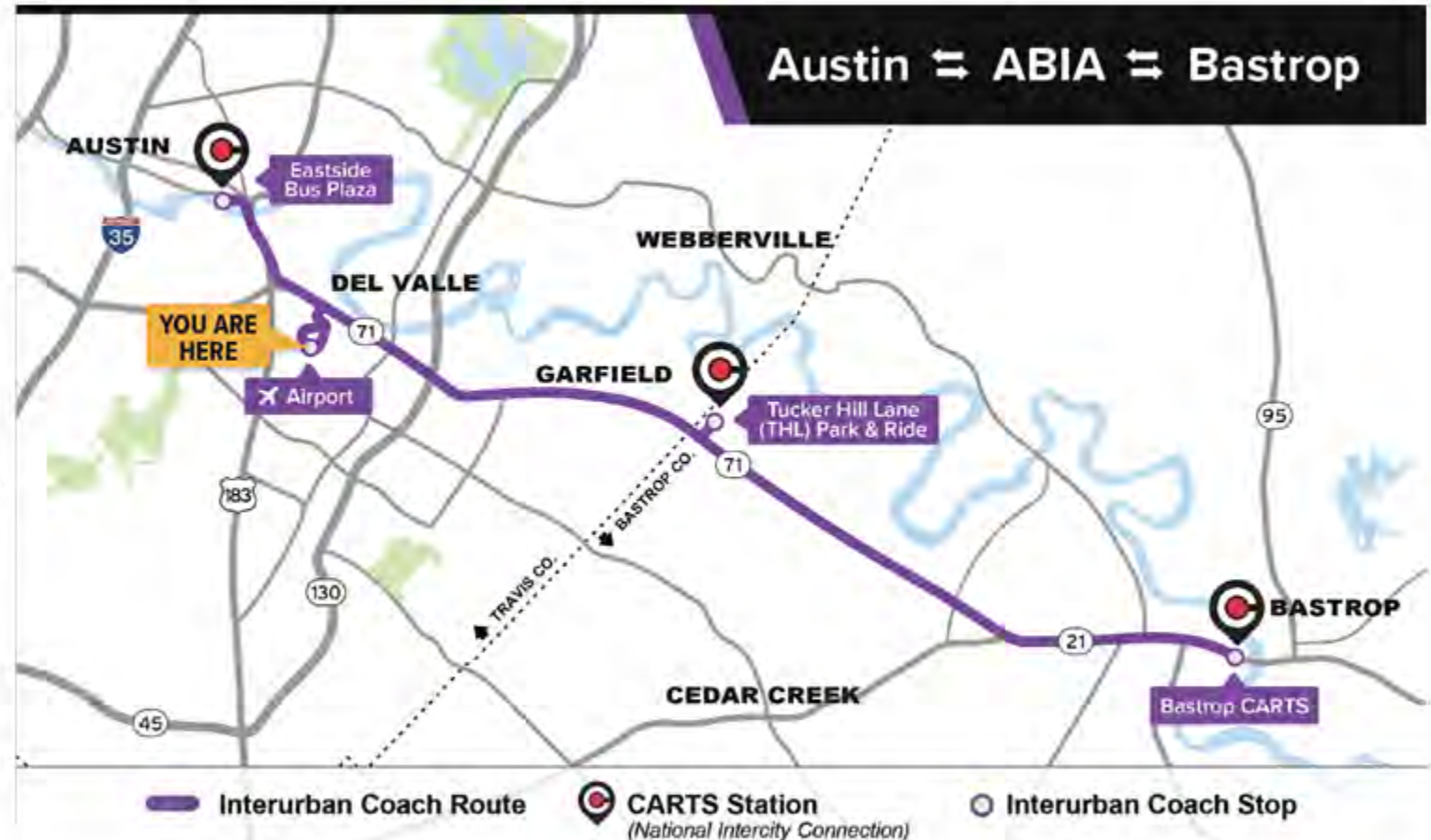
1516 Orange Route

Austin
↔
Luling

*Mondays
Wednesdays
Fridays*

Service to ABIA

- Interurban Coach route to the Austin-Bergstrom International Airport
- Fixed-schedule rides **available Monday – Friday** at:
 - Bastrop Station
 - Tucker Hill Park & Ride
 - Eastside Bus Plaza



Veterans Services



FREE rides to and from medical appointments for veterans

To Austin VA Clinic:

- **1516 Orange Route:**
Luling ⇌ Lockhart ⇌ Austin
 - Stops at Austin VA
 - Monday, Wednesday, Friday
- Interurban Coach + Grasshopper
- Country Bus



ADA Services

- All CARTS vehicles are **wheelchair accessible** and accommodate **service dogs**
- ADA eligible? Try the **Grasshopper** to connect to Austin destinations from Interurban Coach stops





CARTS IS NOW IN THE TRANSIT APP

PLAN. PAY. RIDE.

ALL IN ONE APP

Available in the Transit App

Real-time tracking of CARTS
vehicles

Trip planning across CARTS,
CapMetro, and other local systems

Booking on-demand rides (CARTS
NOW and Country Bus zones)

Mobile ticketing for select
services via Token Transit (coming
soon)

New! CARTS Country Bus
On-Demand bookings in Lockhart
starting August 1, 2025

Connections to fixed-route and
intercity CARTS services



Plan Your Trip - See all transit
options in one place



Book on-demand and track
your ride in real time



Pay with your phone

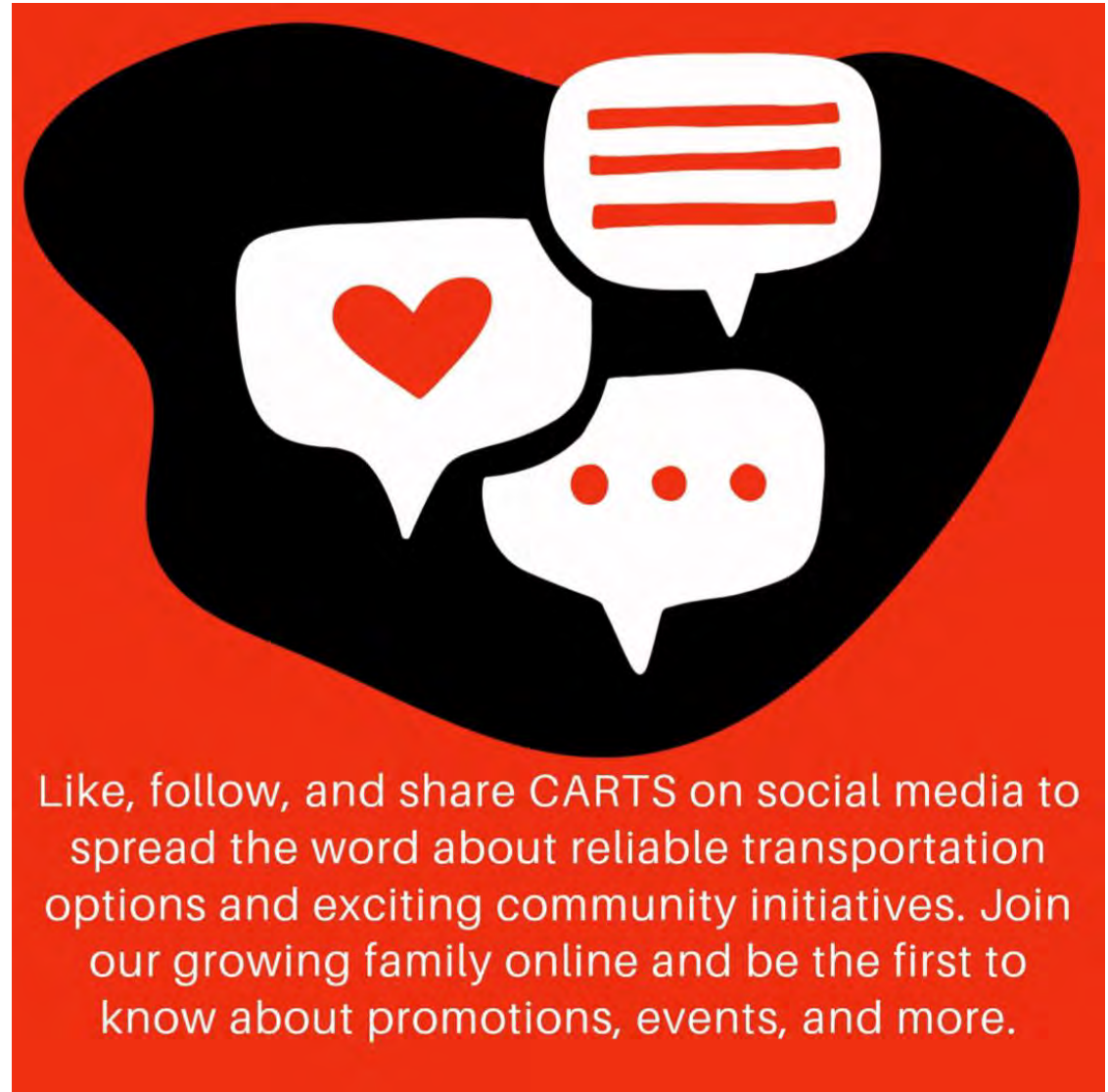


Help us Spread the word and Sign up for Updates!

Let us know if you can help share
information through:

- Email distribution
- Social Media
- Website
- Newsletters
- Events and Presentations

Follow us on Social Media: @ RideCARTS



Stay in Touch

- Email us: Dana@RideCARTS.com
- Phone: 512-505-5623
- Follow us on social media: @RideCARTS f @





CARTS Lockhart Facility Feasibility

Submitted to: **CARTS**

Submitted by:  **THE GOODMAN CORPORATION**

December 2024

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Introduction

Capital Area Rural Transportation System (CARTS) requested technical assistance from the Texas Department of Transportation (TxDOT) Public Transportation Division (PTN) for a preliminary site selection for a passenger station in Lockhart, Texas. The original request was made in December 2023. TxDOT PTN accepted the request a scope of work was workshopped between CARTS and TxDOT PTN in spring/summer 2024.

TxDOT PTN directed their consultant team to provide support. KFH Group, Inc. directed The Goodman Corporation (TGC) to fulfill the request. TGC received a signed task order on July 23, 2024. The original timeline envisioned completion in four months (by the end of October), but CARTS requested to delay the kick-off to September 24. The study wrapped up by December 2024.

This technical report concisely documents TGC’s methodology and findings. The process resulted in the identification and prioritization of several short-listed parcels located in the desired central business district of the City of Lockhart. We recommend CARTS consider the information and proceed with any requisite community and stakeholder engagement.

Scope of Work

The final scope of work included two tasks.

Task 1. Kick-off, Data Collection, Site Requirements

The initial task was to hold a kick-off meeting with all stakeholders, collect requisite data from CARTS, and make routine reports on progress. TGC completed the activities on time and provided the deliverables: kick-off meeting minutes and data request.

Task 2. Preliminary Site Selection

The second and principal task was to implement a preliminary site selection to identify several potential parcels for CARTS consideration. TGC completed the activities on time and this report, and its maps, are the final project deliverables.

Report Organization

The following section provides step-by-step documentation, with maps and tables.

A high-level cost estimate is provided as a courtesy to aid CARTS in seeking for the facility project to be accepted by the Capital Area Metropolitan Planning Organization (CAMPO) in a future call for projects.

Method & Findings

Step 1 – Minimum Requirements & Prototype

Task 1's kick-off and data request activities ensured all parties understood CARTS' specific minimum and desired site requirements in Lockhart.

Figure 1 summarizes information about three potential peer facilities in CARTS' network.

The existing station in Elgin, Texas is the closest prototype for what CARTS envisions for Lockhart:

- About 0.25 acres of land
- Preferably a parcel with two access points
- Adjacency to the community's more walkable center



CARTS ELGIN STATION

200 Central Ave, Elgin, TX 78621

Acres: .27 (11,900 sf)

Building Footprint: 2,800 sf

Parking Spaces: 7 (1 handicap)

Adjacent Land Uses: Retail, Park, Police Station

Character: Historic area, brick & mortar businesses

Corner or Mid Block: Corner



CARTS BASTROP STATION

310 Hospital Dr, Bastrop, TX 78602

Acres: .76 (33,500 sf)

Building Footprint: 1,250 sf

Parking Spaces: 52 total (2 handicap, 4 compact, 3 bus storage, 3 reserved compact)

Adjacent Land Uses: Dog park, police department, clinics, retail

Character: Next to highway, sprawled commercial areas

Corner or Mid Block: Corner



CARTS TAYLOR STATION

1103 W 2nd St, Taylor, TX 76574

Acres: 1.1 (49,000 sf)

Building Footprint: 3,025 sf

Parking Spaces: ~30 total (~14 behind gate, 3 handicap)

Adjacent Land Uses: Church, restaurant, residential

Character: Residential

Corner or Mid Block: Mid block

Figure 1. CARTS Peer Facilities Background Information

Step 2 – Preliminary Scan

TGC implemented a preliminary scan of potential parcels by combining local data from CARTS, Caldwell County, and the City of Lockhart with other geographic data to assess all ~6,300 parcels in the area.

About 10% of parcels (631) were found to exceed the minimum size requirements and to exist proximate to desirable travel corridors – US Highway 183 (S Colorado Street), FM 1322 (Commerce Street), FM 2001, FM 672 (Flores Street), US Highway 20 (Blackjack Street), and US Highway 142 (San Antonio Street) within the City of Lockhart limit (see **Figure 2**).

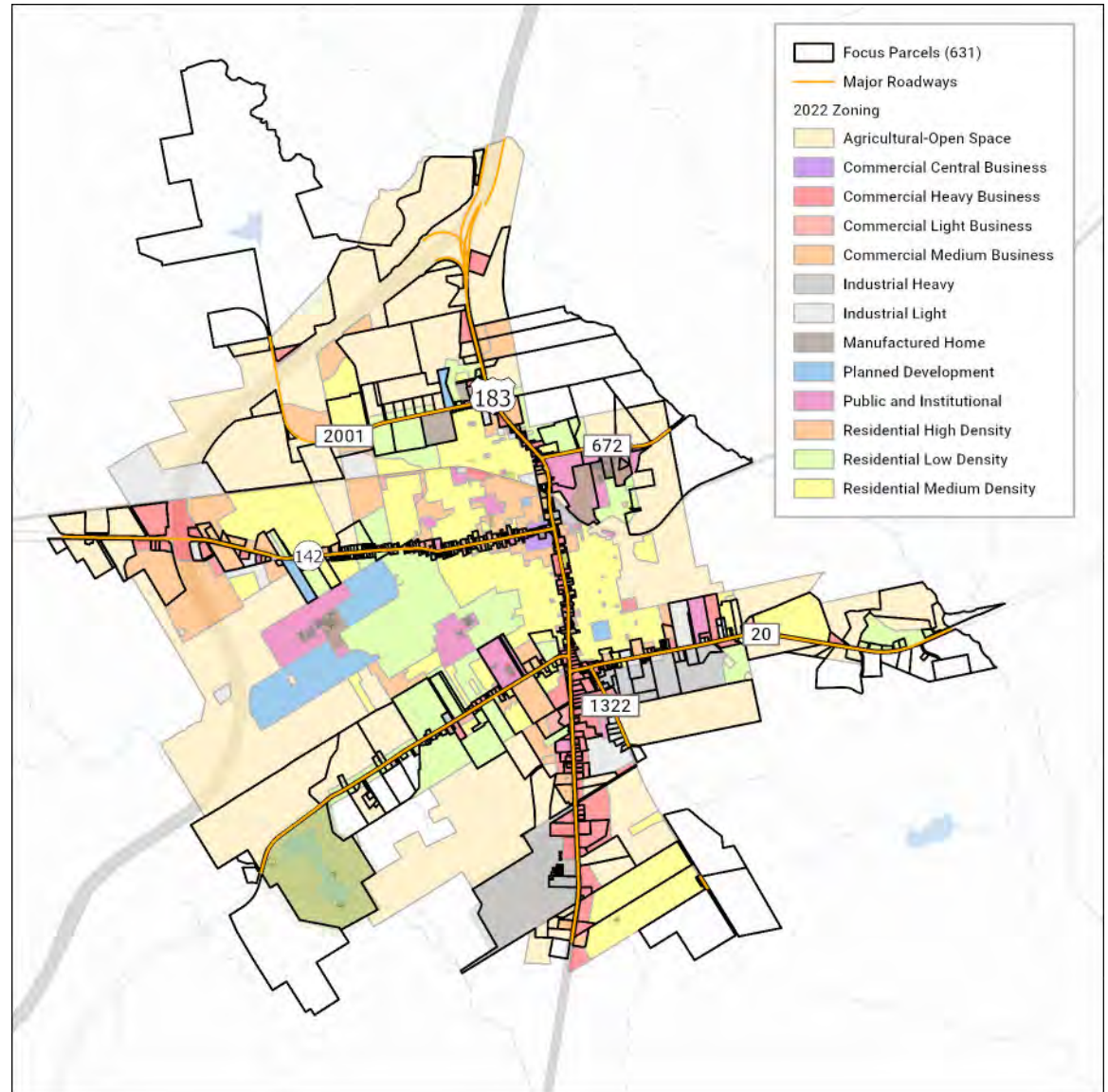


Figure 2. Focus Area Parcels

Source: Caldwell County Appraisal District via BIS Consultants

Step 3 – Remove Problematic Parcels

TGC further reduced the candidate parcels by removing parcels with one or more problematic characteristics (see Figure 3 and Figure 4).

Flood Plain

Avoid all parcels within any of the following:

- 0.2% annual flood hazard
- 1% annual flood hazard
- Regulatory floodway

Conductive Zoning

Eliminate parcels with existing residential uses on-site or immediately adjacent. Prefer parcels with public or commercial uses. Consider industrial uses if history of ownership suggests minimal to no risk of soil contamination.

Current Structures

Prefer parcels with no structures or few, older easily demolished structures. Avoid parcels with structures of substantial value or remaining useful life.

The additional criteria whittled the 631 parcels down to less than 10 potential parcels.

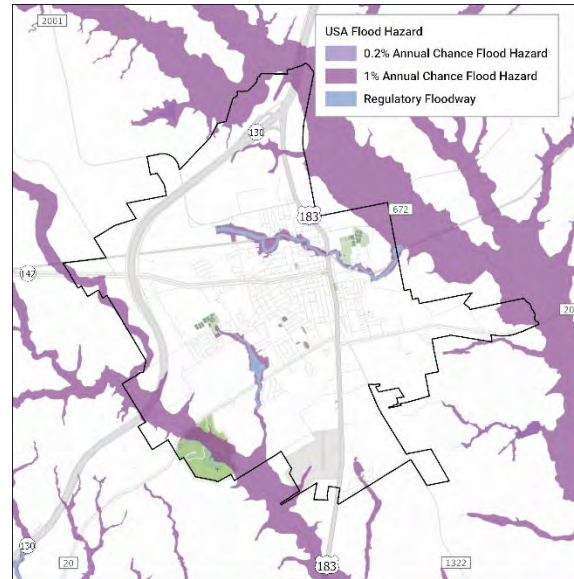


Figure 3. Flood Hazard Map

Source: FEMA

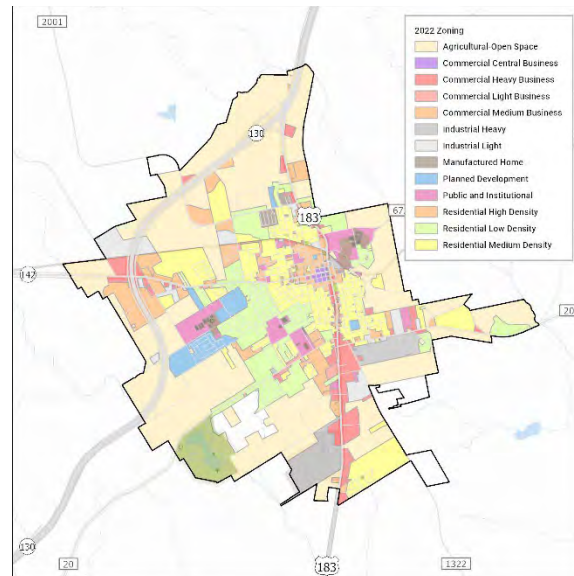


Figure 4. 2022 Zoning Map

Source: City of Lockhart

Step 4 – City of Lockhart Conversations

At CARTS’ request, TGC contacted the City of Lockhart to request their input and ideas on the matter. Interviews were held with an assistant city manager and the directors of public works and planning. The City’s insight proved immensely helpful, and the list of potential sites increased to 21 for the site visit (see **Figure 5 & Table 1**).

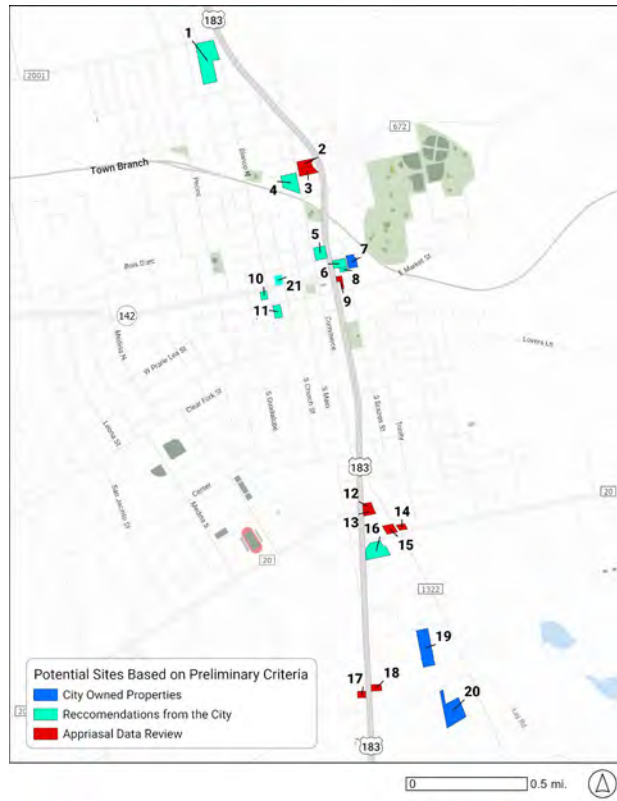


Figure 5. Potential Parcels for Site Visit

Table 1. Details for Potential Parcels for Site Visit

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Step 5 – Site Visit

TGC, CARTS, and the City of Lockhart met at City Hall on November 8, 2024, and proceeded to visit all 21 potential parcels.

TGC provided a worksheet with background on each parcel, reference map, and space for taking notes. The group rolled around the community in a CARTS vehicle. Discussion revealed issues some of the properties and also added a few properties to the list for further consideration.

A key outcome from the site visit was a synthesis of the key interests and concerns by both CARTS and the City of Lockhart. Both parties shared excitement for a potential passenger station in the community, while also having key expectations that differed on some points:

- Preferences for parcel utilization
 - Little to no required demolition or re-use
 - Preference for long-term land lease over outright purchase (especially private)
- Proximity to civic uses & resources beneficial
 - Civic uses: restrooms, parking for events, etc.
 - Civic resources: city hall, post office, police, etc.
 - Pedestrian access across highways to east-side of community
- Access to/from site
 - Locate within 1-2 blocks of highways
 - Preference for two access streets (corner, alley, etc.)
 - Avoid unprotected left turns across highways

TGC used those eight sub-bullets to prioritize the remaining potential sites in central Lockhart.

Step 6 – Prioritized Parcels for Passenger Station

CARTS' prime interest is a small, central site for a passenger station.

Figure 6 and Table 2 reflect the eight parcels most interesting based on the City of Lockhart and CARTS site visit – and preliminary selection criteria.

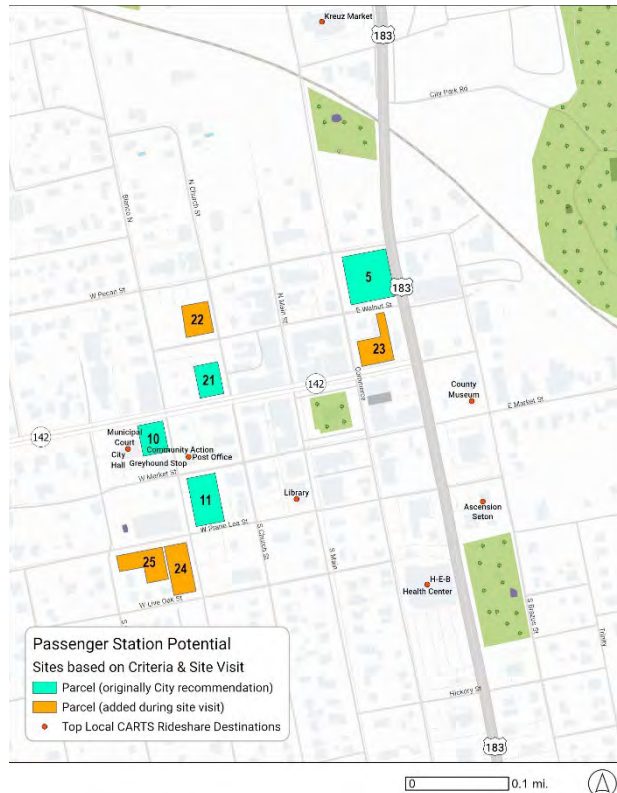


Figure 6. Parcels with High Potential

Table 2. Details for Parcels with Highest Potential

Key	Parcel	Acre	Market Value (\$)	Zoning	Bld Sqft	Source	Notes
5	16995	1.31	1,038,707	Med Commercial	15,994	City Idea	demo large structure
10	20588	0.49	175,510	Med Commercial		City Idea	demo parking lot
11	16868	0.86	1,306,710	Med Commercial	9,770	City Idea	demo large structure
21	16958	0.47	297,170	Med Commercial	450	City Idea	minimal demo
22	17017	0.51	156,490	Med Commercial	-	Site Visit	no demo, church owned
23	16987	0.63	3,451,780	Med Commercial	10,128	Site Visit	repurpose/demo, private
24	34343	0.64	923,410	Med Commercial	8,259	Site Visit	demo, church owned
25	34344	0.70	211,870	Med Commercial	648	Site Visit	minimal demo, church owned

Table 3 documents the prioritization results, including the two strongest candidate parcels. Step 7 provides additional information on the two parcels.

Table 3. Prioritization Results for Parcels with High Potential

Key	Parcel	Utilization		Civic		Access				Combined Rank
		Demolition / Re-use	Lease vs. Purchase	Other Public Uses	Near Resources	Pedestrian Access to East	Near Highway	Access Streets	Protected Turns	
5	16995	3	3	1	3	2	2	1	2	17
10	20588	2	3*	2	1	3	2	2	2	17
11	16868	3	3	1	1	3	2	1	1	15
21	16958	1	2	1	1	3	1	1	2	12
22	17017	1	1	1	2	3	2	2	1	13
23	16987	3	3	1	2	1	1	2	2	15
24	34343	2	2	2	2	3	3	2	1	17
25	34344	1	1	2	2	3	3	2	1	15

Lower score = more feasible, desirable

Parcel assigned 1, 2, or 3 for each criteria

Parcels re-ordered based on combined ranking

* #10 (parcel 20588) is parking associated with the defunct Ford dealership building across SH142 and may be of interest to Austin Community College



Additionally, two other parcels north of central Lockhart were discussed as longer term potential locations for a regional park-and-ride facility (see Figure 6 on the next page). These parcels are not a focus of the present effort.

Potential Park-and-Rides (post site visit; lower, future priority)

The table and map reflect the few locations where CARTS and City of Lockhart staff agreed a park-and-ride may be feasible and desirable.

Provided for information only; TGC will provide no additional information on these sites in the forthcoming tech memo.

Key	Parcel	Acre	Market Value (\$)	Zoning	Bld Sqft	Source	Notes
1	33678	6.09	893,980	Light Industrial	12,142	City Idea	large lot, access, isolated
4	18403	2.28	190,580	Light Industrial		City Idea	no immediate issues

Location 1

TxDOT facility will soon be replaced and available for another public use or sale.

Parcel is larger than CARTS would use independently. If the City of Lockhart, or some other public partner, were to use the site then perhaps CARTS could utilize a portion.

Location 4

A vacant parcel near a trail and with sidewalk access to Downtown south of the railroad. The rail tracks see about 6-8 trains per day.

Note: Other sites may exist; the group did not focus on identifying a short list of the strongest candidates for a parking facility.



Figure 7. Potential Park-and-Ride Locations

The following two sub-sections provide additional information on the top two parcels for the passenger station in central Lockhart. The information is from the [Caldwell County Appraisal District](#). A third subsection highlights information about the real estate market in the immediate vicinity of the two properties, relying on proprietary [CoStar](#) data.

Step 7a – Top Parcel (#21 on prior maps)

Property Details

Account		
Property ID:	16958	Geographic ID: 0300000-021-005-80
Type:	R	Zoning: CMB
Property Use:		
Location		
Situs Address:	207 W SAN ANTONIO ST LOCKHART, TX 78644	
Map ID:	01-800	Mapsc0:
Legal Description:	O.T. LOCKHART, BLOCK 21, LOT 5,6	
Abstract/Subdivision:	SLKT	
Neighborhood:	(1603) LOCKHART COMMERCIAL DOWNTOWN SURROUNDING SQUARE	
Owner		
Owner ID:	16937	
Name:	FIRST LOCKHART NATL BANK	
Agent:	BUSINESS PROPERTY TAX GROUP	
Mailing Address:	PO BOX 600 LOCKHART , TX 78644-0600	
% Ownership:	100.0%	

Property Values

Improvement Homesite Value:	\$0 (+)
Improvement Non-Homesite Value:	\$153,130 (+)
Land Homesite Value:	\$0 (+)
Land Non-Homesite Value:	\$144,580 (+)
Agricultural Market Valuation:	\$0 (+)
Market Value:	
Market Value:	\$297,710 (=)
Agricultural Value Loss:	\$0 (-)
Appraised Value:	
Appraised Value:	\$297,710 (=)
HS Cap Loss:	\$0 (-)
Circuit Breaker:	\$0 (-)
Assessed Value:	
Assessed Value:	\$297,710
Ag Use Value:	\$0

Property Improvement - Building

Type: COMMERCIAL Living Area: 450.0 sqft Value: \$153,130

Type	Description	Class CD	Year Built	SQFT
MA	MAIN AREA	FI2	1986	450
PO	PATIO OPEN-NO ROOF (5% OF MA)	*	1986	144
CN	CANOPY COVER	*	1986	1088
BT	BLACK TOP	*	2016	20000
DSTG	DETACHED STORAGE/UTILITY	SS2	2016	180
CN	CANOPY COVER	*	2016	125

Property Land

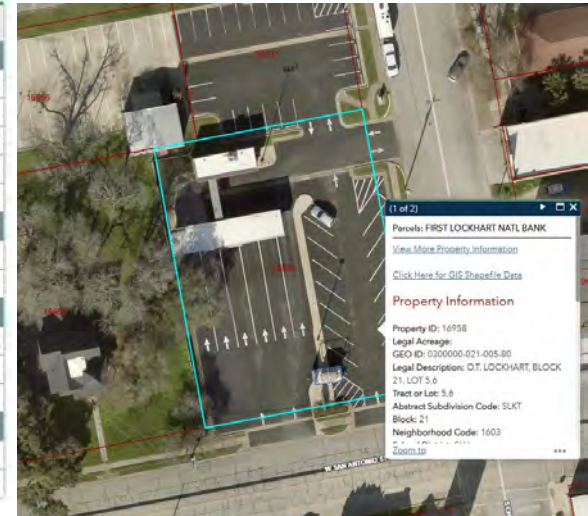
Type	Description	Acreage	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
C	COMMERCIAL	0.52	22,722.51	136.12	166.93	\$144,580	\$0

Property Roll Value History

Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed
2024	\$153,130	\$144,580	\$0	\$297,710	\$0	\$297,710
2023	\$153,650	\$144,580	\$0	\$298,230	\$0	\$298,230
2022	\$100,540	\$141,980	\$0	\$242,520	\$0	\$242,520
2021	\$105,010	\$100,420	\$0	\$205,430	\$0	\$205,430
2020	\$105,030	\$100,420	\$0	\$205,450	\$0	\$205,450
2019	\$101,790	\$77,180	\$0	\$178,970	\$0	\$178,970
2018	\$96,870	\$77,180	\$0	\$174,050	\$0	\$174,050
2017	\$76,320	\$75,030	\$0	\$151,350	\$0	\$151,350
2016	\$72,650	\$65,310	\$0	\$137,960	\$0	\$137,960

Property Deed History

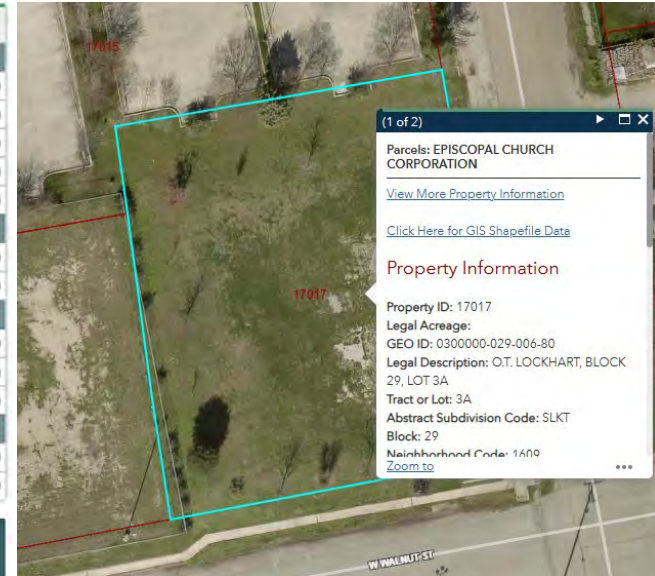
Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
	WD	WARRANTY DEED	GRAEF & SONS	FIRST LOCKHART NATL BANK	387,418 DR	116,356	0



Step 7b – #2 Parcel (#22 on prior maps)

Property Details		
Account		
Property ID:	17017	Geographic ID: 0300000-029-006-80
Type:	R	Zoning: CMB
Property Use:		
Location		
Situs Address:	201 W WALNUT ST LOCKHART, TX 78644	
Map ID:	01-800	Mapsc0:
Legal Description:	O.T. LOCKHART, BLOCK 29, LOT 3A	
Abstract/Subdivision:	SLKT	
Neighborhood:	(1609) LOCKHART COMMERCIAL DOWNTOWN BUFFER ZONE	
Owner		
Owner ID:	43540	
Name:	EPISCOPAL CHURCH CORPORATION	
Agent:		
Mailing Address:	IN WEST TEXAS 117 N CHURCH ST LOCKHART , TX 78644-2101	
% Ownership:	100.0%	
Exemptions:	EX-XV -	

Property Values	
Improvement Homesite Value:	\$0 (+)
Improvement Non-Homesite Value:	\$0 (+)
Land Homesite Value:	\$0 (+)
Land Non-Homesite Value:	\$156,490 (+)
Agricultural Market Valuation:	\$0 (+)
Market Value:	\$156,490 (=)
Agricultural Value Loss:	\$0 (-)
Appraised Value:	\$156,490 (=)
HS Cap Loss:	\$0 (-)
Circuit Breaker:	\$0 (-)
Assessed Value:	\$156,490
Ag Use Value:	\$0
Information provided for research purposes only. Legal descriptions and acreage amounts are for informational purposes only and should be verified.	



Property Land							
Type	Description	Acreage	Sqft	Eff Front	Eff Depth	Market Value	Prod. Value
C	COMMERCIAL	0.51	22,082.00	123.85	164.01	\$156,490	\$0

Property Roll Value History							
Year	Improvements	Land Market	Ag Valuation	Appraised	HS Cap Loss	Assessed	
2024	\$0	\$156,490	\$0	\$156,490	\$0	\$156,490	
2023	\$0	\$156,490	\$0	\$156,490	\$0	\$156,490	
2022	\$0	\$153,680	\$0	\$153,680	\$0	\$153,680	
2021	\$0	\$109,650	\$0	\$109,650	\$0	\$109,650	
2020	\$0	\$109,650	\$0	\$109,650	\$0	\$109,650	
2019	\$0	\$104,320	\$0	\$104,320	\$0	\$104,320	
2018	\$0	\$104,320	\$0	\$104,320	\$0	\$104,320	
2017	\$0	\$101,240	\$0	\$101,240	\$0	\$101,240	
2016	\$0	\$88,340	\$0	\$88,340	\$0	\$88,340	

Property Deed History							
Deed Date	Type	Description	Grantor	Grantee	Volume	Page	Number
9/16/1994	WD	WARRANTY DEED	FIRST LOCKHART NATL BANK	EPISCOPAL CHURCH CORPORATION	115	602	0
3/24/1994	GRD	GUARDIANS DEED	BUCKNER DONIE S GRDIAN	FIRST LOCKHART NATL BANK	106	787	0
	OT	OTHER - ALL BLANK FIELDS FROM CONVERSION	GUERRERO CLARENCE	BUCKNER DONIE S GRDIAN	512	607	0
	OT	OTHER - ALL BLANK FIELDS FROM CONVERSION	FIRST LOCKHART NATL BANK	GUERRERO CLARENCE	472,492	518,162	0
	OT	OTHER - ALL BLANK FIELDS FROM CONVERSION	M S ELECTRONICS	FIRST LOCKHART NATL BANK	454	322	0

Step 7c – CoStar Real Estate Data



Figure 8. CoStar Market Data – Proximity to Top Parcels

The top two parcels exist in close proximity. This section briefly highlights key information based on recent commercial real estate information from CoStar. Sixteen nonresidential structures exist within 0.1 miles, or about two city blocks, from the parcels (see **Figure 8**). The data is small sample and should be considered generally only.

The 16 properties have a mixed history in terms of occupancy (see **Figure 9**). Occupancy has generally been decreasing in recent years and may remain at about 47% vacancy for the next several years based on CoStar forecasts for this immediate area of central Lockhart.

Figure 10, on the next page, provides some additional detailed information about the 16 properties in close proximity to the top two parcels.

Occupancy Rate



Figure 9. CoStar Market Data – Occupancy 2014-2024

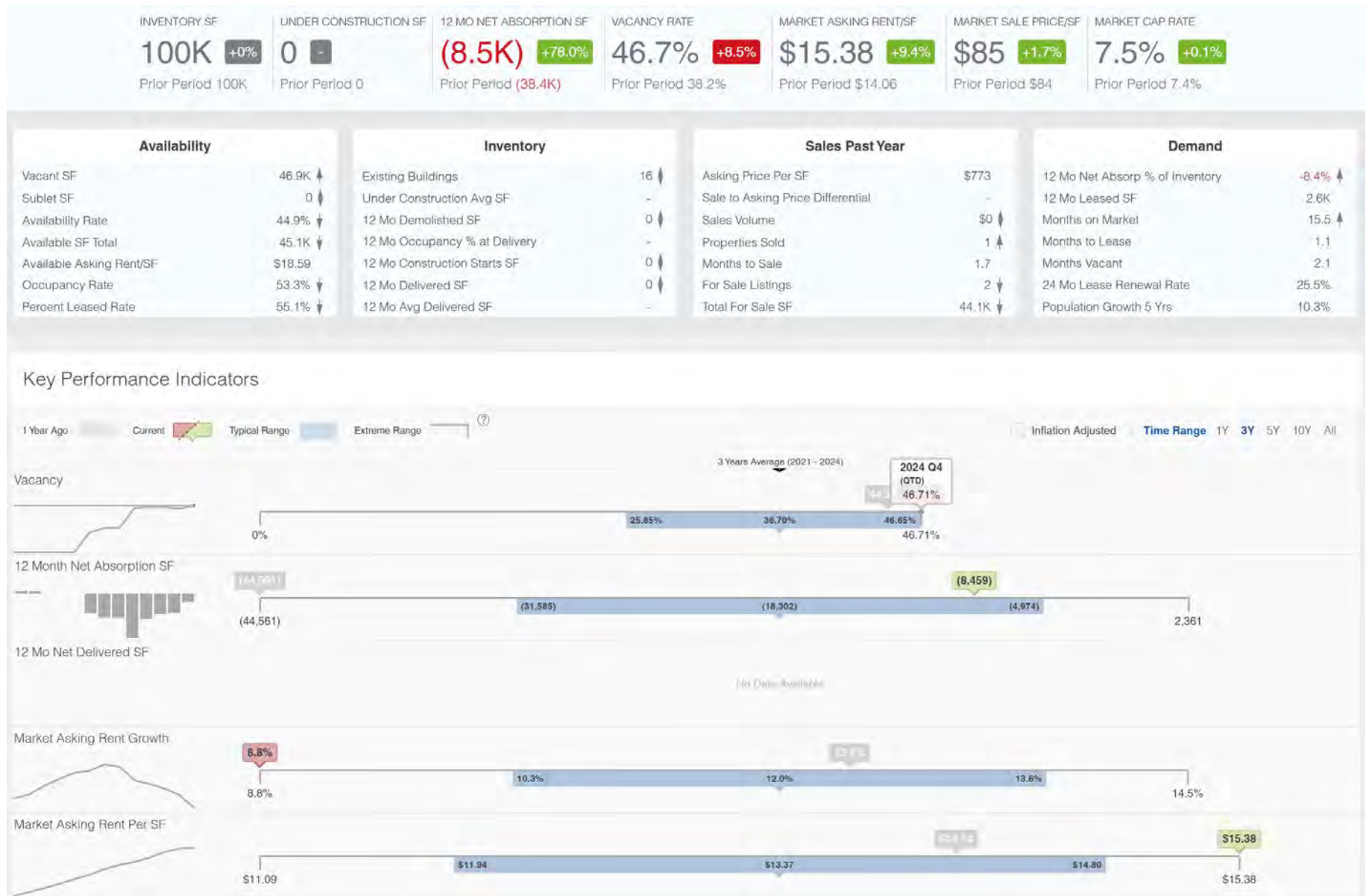


Figure 10. CoStar Market Data – Key Performance Indicators

Step 8 – Cost Estimate

CARTS' Elgin Station sits on 11,900 square feet of land and includes a 2,800 square foot building footprint. The following cost estimate assumes an identical structure in Lockhart.

Land Cost

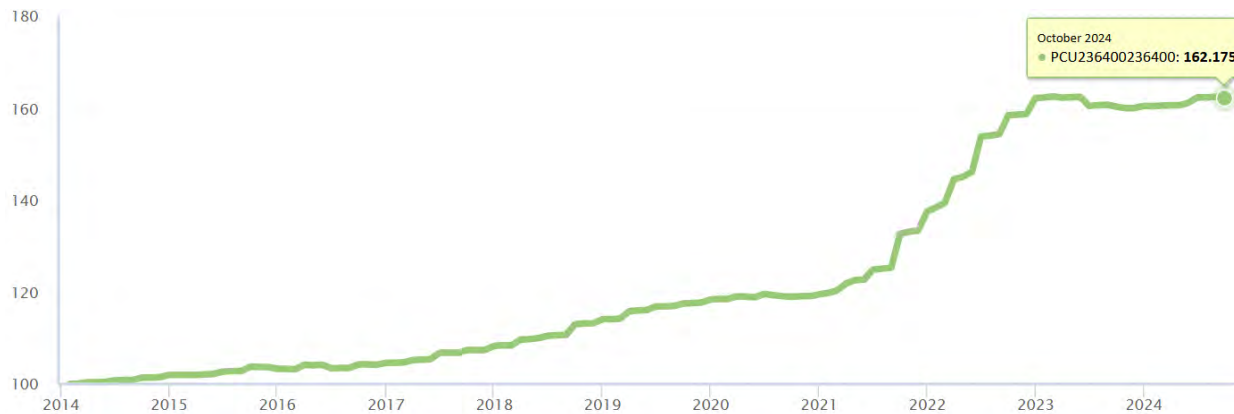
The top two parcels lie within one block of each other and share some similar trends in market value per the Caldwell County Appraisal District (CCAD). In the last eight years, CCAD implemented to significant adjustments to property values:

- Land values increased 30% from 2019 to 2020 and then again by 44% from 2021 to 2022 (with nominal change other years).
 - The compound annual growth rate (CAGR) in land market value from 2016 to 2024 was 10.44% for the #1 Site candidate.
- Structure values increased 27% from 2017 to 2018 and then again by 46% from 2022 to 2023 (with nominal change other years).
 - The CAGR in structures market value from 2016 to 2024 was 9.77% for the #1 Site candidate.

TGC recommends CARTS utilize CAGR for land+structure of 10.09% for #1 parcel and 7.41% CAGR for the #2 parcel.

Construction Cost

Elgin Station construction cost was \$1,780,000 in 2020, exclusive of land – or about \$635.71 per square foot of constructed space (including parking, site work, etc.). TGC presumes the base timeframe for comparative analysis is October 2020 and presuming Lockhart's station goes to bid in 2027.



The U.S. Bureau of Labor Statistics (BLS) maintains the Producer Price Index (PPI) to track costs for various items, services, and structures. The PPI tracks new nonresidential building construction costs.¹ The recent four-year period from October 2020 to October 2024 includes the period of rapid cost increases attendant to the COVID-19 Pandemic (see **Figure 11**).

Figure 11. PPI New Nonresidential Buildings 2014-2024

¹ U.S. Bureau of Labor Statistics, Produce Price Index, Industry Data, Series ID: PCU236400236400. Accessed on December 3, 2024, via <https://data.bls.gov/dataViewer/view/timeseries/PCU236400236400>.

A longer view of the PPI for new nonresidential building construction, from October 2014 to October 2024, reveals the compound annual average growth rate to be a more conservative than the recent period from when the Elgin Station was constructed:

- The CAGR for new nonresidential construction from October 2020 to October 2024 was 8.05%.
- The CAGR for new nonresidential construction from October 2014 to October 2024 was 4.81%.

TGC recommends CARTS utilize the more conservative rate of 4.81% CAGR for Lockhart structures cost estimation.

Total Forecasted Cost

Table 4 documents the total forecasted cost for an Elgin-prototype station in central Lockhart, on either of the top two parcels.

Table 4. Total Forecasted Cost for Lockhart Station

CAGR	10.09%	7.41%	4.81%
Square Footage	22,722.51	22,082.00	2,800.00
Cost (per sq. ft.)	\$ 13.10	\$ 7.09	\$ 635.71
Year	#1 Parcel 16958 (land+structures)	#2 Parcel 17017 (land only)	Station Construction (either parcel)
2020			\$ 1,780,000
2021			\$ 1,865,618
2022			\$ 1,955,354
2023			\$ 2,049,407
2024	\$ 297,710	\$ 156,490	\$ 2,147,983
2025	\$ 327,749	\$ 168,086	\$ 2,251,301
2026	\$ 360,819	\$ 180,541	\$ 2,359,589
2027	\$ 397,225	\$ 193,919	\$ 2,473,085
2028	\$ 437,305	\$ 208,289	\$ 2,592,040
2029	\$ 481,430	\$ 223,723	\$ 2,716,718
2030	\$ 530,006	\$ 240,301	\$ 2,847,392
2031	\$ 583,483	\$ 258,107	\$ 2,984,351
2032	\$ 642,357	\$ 277,233	\$ 3,127,899
2033	\$ 707,171	\$ 297,776	\$ 3,278,350
2034	\$ 778,524	\$ 319,841	\$ 3,436,039
2035	\$ 857,077	\$ 343,541	\$ 3,601,313

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Presentation and discussion regarding the proposed Fiscal Year 2025-2026 Budget for Guadalupe-Blanco River Authority (GBRA) for the Lockhart Water and Wastewater Treatment Plants.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Annually, representatives from GBRA present their proposed Water and Wastewater Budget for the upcoming fiscal year to City Council for the operations and maintenance of the Lockhart Water and Wastewater Treatment Plants.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): If Approved, the GBRA's Proposed Budgets for Fiscal Year 2025-2026 will be incorporated in the City of Lockhart's Proposed Annual Budget for Fiscal Year 2025-2026.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends acceptance of the GBRA Fiscal Year 2025-2026 Budgets for Water Treatment Plant and Wastewater Treatment Plants.

LIST OF SUPPORTING DOCUMENTS: 130 LOCKHART WWTP_1, 131 LOCKHART WTP



LOCKHART WASTEWATER RECLAMATION SYSTEM

WORK PLAN AND BUDGET

Fiscal Year Ending August 31, 2026

Submitted by Guadalupe-Blanco River Authority
per contractual obligation date of
July 1, 2025

Lockhart Division

Lockhart Wastewater Reclamation System

Operating Plan for Fiscal Year Ending 8/31/26

BACKGROUND

After signing a contract with the City of Lockhart in 1994, GBRA assumed the operation of the City's 1.1 million gallons per day (MGD) Larremore Street wastewater treatment plant. Subsequently in 1999, the new 1.5 MGD FM20 plant commenced operation increasing the City's combined wastewater treatment capacity to 2.6 MGD. The contract between the City of Lockhart and GBRA provides that GBRA will bill the City the actual cost of operating the two plants. As a result, revenue is matched to expenses and GBRA does not over-recover nor under-recover the cost of operating the System.

The System is operated by a Chief Operator and seven operators dividing their time between the Lockhart water and wastewater plants. Serving as facilitators to the team will be the Hays/Caldwell/Guadalupe Division Manager. Additional support will be received from the Seguin and New Braunfels offices in the form of engineering, electrical, purchasing, and administrative functions.

REVENUE SOURCES AND TRENDS

The following Work Plan and Budget is based on the two Lockhart Wastewater Treatment Plants treating an estimated sewage flow of 440.23 million gallons annually or 1.21 million gallons per day (MGD). For Fiscal Year 2026, the flow will be split with approximately 0.430 MGD treated by the Larremore Plant and 0.776 MGD treated by the FM 20 Plant. Revenue to treat this amount of waste has generally trended upward over the last several years coincident with increased flows to the plant and inflationary increases in plant operating costs. The budgeted FY 2026 total revenue for the Lockhart Wastewater System is \$1,994,162 which is \$357,089 or 21.8% more than last year's budget.

MAJOR OPERATING AND MAINTENANCE EXPENDITURES

The combined operating expenditure budget for FY 2026 amounts to \$1,994,162. Significant operating expenses budgeted for Fiscal Year 2026 include biosolids disposal in the amount of \$301,856, power and utilities of \$274,790, laboratory testing and expenses of \$77,714. Significant maintenance expenditures budgeted for Fiscal Year 2026 include the replacement of the Motor Control Centers at Larremore.

In order to meet public service needs through motivated employees, provide advanced training, and maintain and upgrade occupational licenses, personnel will attend courses provided by various approved sources. The approved sources for the courses are Texas Engineering Extension Service and Texas Water Utility Association. Plant personnel will also conduct in-house training in team building skills, confined space rescue, hazard communication, electrical safety and maintenance, first aid, and CPR. Other training will include computer software and personal development seminars.

There is a replacement truck in the amount of \$50,000 and a replacement ATV for \$11,000 budgeted for capital addition items for FY 2026.

FUND BALANCE

Funds for the above listed maintenance projects as well as all of the other operating expenditures that are summarized in the following pages will be provided from revenues from the City of Lockhart. Since this system represents a contract operation in which GBRA does not over-recover nor under-recover its costs, the net change in fund balance for FY 2026 is \$0.

**Guadalupe-Blanco River Authority
Work Plan & Budget
Fiscal Year Ending August 31, 2026**

**130 - Lockhart WWTP
Department ***

	FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
OPERATING BUDGET			
OPERATING REVENUES			
Wastewater Treatment			
41201 WW-OPR & MAINTENANCE	1,498,250	1,838,152	339,902
41202 WW-ADMINISTRATIVE & GENERAL	138,823	156,010	17,187
41207 WW-CREDIT TO CUSTOMER	(600,000)	(600,000)	-
Total Wastewater Treatment	1,037,073	1,394,162	357,089
Misc Income			
45195 MISCELLANEOUS REVENUES	600,000	600,000	-
Total Misc Income	600,000	600,000	-
Total Operating Revenue	1,637,073	1,994,162	357,089
OPERATING EXPENSES			
Salaries			
51101 LBR-REGULAR WAGES	402,817	451,635	48,818
51102 LBR-OVERTIME	17,857	21,121	3,264
Total Salaries	420,674	472,756	52,082
Benefits			
51298 BEN-BENEFIT ALLOCATION	170,373	191,466	21,093
Total Benefits	170,373	191,466	21,093
Operating Supplies & Services			
52101 OPR-POWER & UTILITIES	244,887	274,790	29,903
52102 OPR-AUXILIARY POWER EXPENSE	5,000	5,000	-
52103 OPR-CHEMICALS	53,203	54,566	1,363
52110 OPR-SMALL TOOLS AND SUPPLIES	3,500	4,000	500
52113 OPR-LAB SUPPLIES	18,157	22,273	4,116
52114 OPR-LABORATORY SERVICES-GBRA	39,956	43,951	3,995
52115 OPR-LABORATORY SERVICES-OUTSOURCED	10,124	11,490	1,366
52118 OPR-DISPOSAL SERVICES	294,256	301,856	7,600
52120 OPR-UNIFORMS/BUSINESS ATTIRE	5,720	6,750	1,030

	FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
52121 OPR-SAFETY & EMERGENCY EXPENSE	3,325	3,825	500
52122 OPR-SECURITY EXPENSE	2,000	-	(2,000)
52124 OPR-EQUIPMENT EXPENSE	5,600	6,700	1,100
52125 OPR-VEHICLE EXPENSE	5,795	5,570	(225)
52133 OPR-SCADA	1,700	1,700	-
Total Operating Supplies & Services	693,223	742,471	49,248
Professional Services and Fees			
52205 OPR-PROFESSIONAL SERVICES-OTHER	4,690	4,840	150
52216 OPR-REGULATORY FEES	22,000	22,000	-
52222 OPR-MEMBERSHIPS & PUBLICATIONS	700	700	-
52223 OPR-LICENSE & TRAINING	3,744	3,744	-
52224 OPR-TRAVEL & MEETINGS	2,500	6,000	3,500
Total Professional Services and Fees	33,634	37,284	3,650
Office Expenses			
52301 OPR-OFFICE SUPPLIES	4,400	4,400	-
52302 OPR-COMPUTER & SOFTWARE EXPENSE	9,550	14,020	4,470
52303 OPR-WIDE AREA NETWORK EXPENSE	3,200	10,020	6,820
52306 OPR-DATA & PHONE EXPENSE	800	8,928	8,128
52331 OPR-JANITORIAL SUPPLIES AND SERVICE	1,200	1,500	300
Total Office Expenses	19,150	38,868	19,718
Other Operating Expenses			
52420 OPR-INSURANCE EXPENSE	32,570	36,484	3,914
52430 OPR-MISC EXPENSE	200	200	-
Total Other Operating Expenses	32,770	36,684	3,914
SUBTOTAL OF OPERATIONAL EXPENSES	1,369,824	1,519,529	149,705
Maintenance and Repair Equipment			
53101 M&R-EQUIPMENT	24,550	28,000	3,450
53110 M&R-CONTROL SYSTEMS	1,700	97,197	95,497
53115 M&R-METERS	1,500	1,500	-
Total Maintenance and Repair Equipment	27,750	126,697	98,947
Structures			
53201 M&R-BUILDING	3,426	16,176	12,750
53205 M&R-PUMPS AND MOTORS	36,750	10,000	(26,750)
53210 M&R-GATES AND VALVES	5,000	2,250	(2,750)
53220 M&R-CLARIFIERS	17,500	18,000	500
53237 M&R UV SYSTEM	20,000	60,000	40,000
Total Structures	82,676	106,426	23,750
Other Maintenance & Repairs			

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
53310	M&R-GROUNDS/ROW	13,500	13,500	-
53325	M&R-GENERAL MAINTENANCE	4,500	11,000	6,500
	Total Other Maintenance & Repairs	18,000	24,500	6,500
	SUBTOTAL OF M&R EXPENSES	128,426	257,623	129,197
	Administrative & General			
54100	ADMINISTRATIVE & GENERAL	138,823	156,010	17,187
	Total Administrative & General	138,823	156,010	17,187
	Capital Expenses			
55001	CUSTOMER-OWNED CAPITAL EXPENSE	-	61,000	61,000
	Total Capital Expenses	-	61,000	61,000
	TOTAL OPERATING AND M&R EXPENSES	1,637,073	1,994,162	357,089
	Net Operating Income	-	-	-
	Net Change in Fund Balance	-	-	-



LOCKHART WATER TREATMENT PLANT SYSTEM

WORK PLAN AND BUDGET

Fiscal Year Ending August 31, 2026

Submitted by Guadalupe-Blanco River Authority
per contractual obligation date of
July 1, 2025

Lockhart Division

Lockhart Water Treatment Plant System

Operating Plan for Fiscal Year ending 8/31/26

BACKGROUND

GBRA entered into a contract in September 2000 with the City of Lockhart to operate its wells and 4 million gallon per day (mgd) water treatment plant beginning October 1, 2000 in addition to the operation of two wastewater treatment facilities for the City. The System is operated by a Chief Operator and seven operators dividing their time between the Lockhart water and wastewater plants. Serving as facilitators to the Lockhart Operations team are the Division Manager-Hays/Caldwell/Guadalupe Counties. Additional support will be received from the Seguin and New Braunfels office in the form of engineering, electrical, purchasing and administrative functions.

REVENUE SOURCES AND TRENDS

GBRA provides the operation of the City's 4.0 million gallons per day (MGD) groundwater treatment plant and water wells. The contract provides that GBRA does not over-recover nor under-recover the costs of operating the System.

The following Work Plan and Budget is based on operating and maintaining the Lockhart Water Treatment Plant, booster station and seven water wells. The projected water production of the plant and seven wells for FY 2026 is 208.23MG or 0.57MGD. However, the total water needs for the City from all sources is estimated to be approximately 666.518MG. The differential or additional water required by the City of Lockhart will be supplied by the GBRA surface water treatment plant located in Luling and delivered through the Luling/Lockhart Treated Water Delivery System. Lockhart will also be receiving water from the Carrizo Water Treatment Plant located in Rosanky and delivered through the Alliance Project Delivery System. The budgeted FY 2026 operating revenue for the Lockhart Water Treatment Plant System is \$1,162,384 which is \$81,644 or 7.6% more than last year's budget and is based on a total estimated annual water treatment of 208,230,000 gallons or 208.23MG. As described in the previous paragraph, the Lockhart WTP System is a cost-of-service operation and any year-over-year change in revenue is in a direct relationship to the changes in operating expenditures and capital improvements, for that year.

MAJOR OPERATING AND MAINTENANCE EXPENDITURES

Due to the nature of the GBRA and City of Lockhart contract, the operating expenditure budget for FY 2026 replicates the revenue budget and therefore also amounts to \$1,162,384. Two of the major operating expenses for the ensuing fiscal year are power and chemicals. Chlorine, liquid ammonium sulfate (LAS), orthophosphate, and fluoride are the primary chemicals required at the water treatment plant in order to properly treat and maintain the water quality in accordance with Texas Commission on Environmental Quality (TCEQ) requirements. Chlorine and LAS are used together as a disinfectant for the water. Orthophosphate is used as a corrosion inhibitor and as such, protects the City's distribution system and assures the delivery of high-quality water. The total chemical budget for FY 2026 is \$73,857. Power will also be a major expense for the upcoming year amounting to \$53,152. The maintenance expenses include the replacement of the 14-inch piping entering the Water Plant's filters and the installation of Flow Meters on the discharge of the Water Plant's Transfer Pumps.

There is a replacement truck in the amount of \$50,000 and a replacement ATV for \$11,000 budgeted for capital addition items for FY 2026.

In order to meet public service needs through motivated employees, provide advanced training, and maintain and upgrade occupational licenses, personnel will attend courses provided by various approved sources. The approved sources for the courses are Texas Engineering Extension Service and Texas Water Utility Association. Plant personnel will also conduct in-house training in team building skills, confined space rescue, hazard communication, electrical safety and maintenance, first aid, and CPR. Other training will include computer software and personal development seminars.

FUND BALANCE

Funds for the above listed maintenance projects as well as all of the other operating expenditures that are summarized in the following pages will be provided from revenues from the City of Lockhart. Since this division represents a contract operation in which GBRA does not over-recover nor under-recover its costs, the net change in fund balance for FY 2026 is \$0.

**Guadalupe-Blanco River Authority
Work Plan & Budget
Fiscal Year Ending August 31, 2026**

**131 - Lockhart WTP
Department ***

	FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
OPERATING BUDGET			
OPERATING REVENUES			
Water Treatment			
41101 PLANT O&M	981,522	1,054,017	72,495
41102 PLANT A&G	99,218	108,367	9,149
Total Water Treatment	1,080,740	1,162,384	81,644
Total Operating Revenue	1,080,740	1,162,384	81,644
OPERATING EXPENSES			
Salaries			
51101 LBR-REGULAR WAGES	287,541	312,861	25,320
51102 LBR-OVERTIME	13,119	15,525	2,406
Total Salaries	300,660	328,386	27,726
Benefits			
51298 BEN-BENEFIT ALLOCATION	121,767	132,996	11,229
Total Benefits	121,767	132,996	11,229
Operating Supplies & Services			
52101 OPR-POWER & UTILITIES	64,000	53,152	(10,848)
52103 OPR-CHEMICALS	61,256	73,857	12,601
52110 OPR-SMALL TOOLS AND SUPPLIES	3,000	3,000	-
52113 OPR-LAB SUPPLIES	14,560	24,866	10,306
52114 OPR-LABORATORY SERVICES-GBRA	5,422	5,134	(288)
52115 OPR-LABORATORY SERVICES-OUTSOURCED	6,075	6,099	24
52120 OPR-UNIFORMS/BUSINESS ATTIRE	4,400	6,750	2,350
52121 OPR-SAFETY & EMERGENCY EXPENSE	1,685	2,060	375
52123 OPR-EQUIPMENT RENTAL	1,500	1,500	-
52124 OPR-EQUIPMENT EXPENSE	300	300	-
52125 OPR-VEHICLE EXPENSE	2,880	5,570	2,690
52133 OPR-SCADA	5,700	6,900	1,200
Total Operating Supplies & Services	170,778	189,188	18,410

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
	Professional Services and Fees			
52205	OPR-PROFESSIONAL SERVICES-OTHER	5,425	5,455	30
52216	OPR-REGULATORY FEES	12,200	12,200	-
52222	OPR-MEMBERSHIPS & PUBLICATIONS	400	560	160
52223	OPR-LICENSE & TRAINING	3,379	3,944	565
52224	OPR-TRAVEL & MEETINGS	2,500	2,500	-
	Total Professional Services and Fees	23,904	24,659	755
	Office Expenses			
52301	OPR-OFFICE SUPPLIES	750	750	-
52302	OPR-COMPUTER & SOFTWARE EXPENSE	7,900	13,150	5,250
52303	OPR-WIDE AREA NETWORK EXPENSE	3,200	4,320	1,120
52306	OPR-DATA & PHONE EXPENSE	4,300	9,611	5,311
52331	OPR-JANITORIAL SUPPLIES AND SERVICE	500	500	-
	Total Office Expenses	16,650	28,331	11,681
	Other Operating Expenses			
52420	OPR-INSURANCE EXPENSE	22,263	25,879	3,616
52430	OPR-MISC EXPENSE	250	200	(50)
	Total Other Operating Expenses	22,513	26,079	3,566
	SUBTOTAL OF OPERATIONAL EXPENSES	656,272	729,639	73,367
	Maintenance and Repair Equipment			
53101	M&R-EQUIPMENT	2,350	37,100	34,750
53110	M&R-CONTROL SYSTEMS	5,500	12,500	7,000
53115	M&R-METERS	13,400	17,500	4,100
	Total Maintenance and Repair Equipment	21,250	67,100	45,850
	Structures			
53201	M&R-BUILDING	11,000	2,378	(8,622)
53205	M&R-PUMPS AND MOTORS	35,000	22,000	(13,000)
53210	M&R-GATES AND VALVES	42,500	3,900	(38,600)
53235	M&R-TRANSMISSION LINES	32,500	25,000	(7,500)
	Total Structures	121,000	53,278	(67,722)
	Other Maintenance & Repairs			
53302	M&R-WELLS	125,000	125,000	-
53310	M&R-GROUNDS/ROW	13,500	13,500	-
53325	M&R-GENERAL MAINTENANCE	44,500	4,500	(40,000)
	Total Other Maintenance & Repairs	183,000	143,000	(40,000)
	SUBTOTAL OF M&R EXPENSES	325,250	263,378	(61,872)
	Administrative & General			

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
54100	ADMINISTRATIVE & GENERAL	<u>99,218</u>	<u>108,367</u>	<u>9,149</u>
	Total Administrative & General	<u>99,218</u>	<u>108,367</u>	<u>9,149</u>
	Capital Expenses			
55001	CUSTOMER-OWNED CAPITAL EXPENSE	<u>-</u>	<u>61,000</u>	<u>61,000</u>
	Total Capital Expenses	<u>-</u>	<u>61,000</u>	<u>61,000</u>
	TOTAL OPERATING AND M&R EXPENSES	<u>1,080,740</u>	<u>1,162,384</u>	<u>81,644</u>
	Net Operating Income	<u>-</u>	<u>-</u>	<u>-</u>
	Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discuss entering into a Memorandum of Understanding (MOU) between Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding participation in the WaterSECURE project.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Beginning in 2023, GBRA began preliminary engineering to determine new water supply options for a regional long-term water supply project. The results of the preliminary engineering is a future project named "WaterSECURE" comprised of a combination of raw and treated water based on existing GBRA owned run-of-the-river rights, when combined with river diversion facilities, off-channel reservoirs, aquifer storage and recovery, water treatment, delivery facilities, and integration of brackish and fresh groundwater. Since conception, GBRA has reached out to several entities to forecast future water supply needs based on year 2045 projected needs.

By 2045, the City of Lockhart's required water supply capacity needs could range from a low of 4.82 MGD (5,405 AF/yr) to a high of 7.03 MGD (7,880 AF/yr) if it experiences accelerated growth. The City is conservatively requesting project participation in the amount of 6.56 MGD (7,348 AF/yr) of treated water. This amount is based on the projected 2024 supply deficiency after adding the two water well upgrades found in the W/WW Master Plan. Preliminary information regarding the WaterSECURE project indicates that participation will be expensive as the regional project is estimated to cost approximately \$6 billion. However, the MOU is a non-binding document that will allow GBRA to further investigate costs per participant, specific needs and participation amounts of each entity.

Parties that enter the MOU will not be restricted from participating in similar activities as it relates to water. Staff will continue to evaluate additional development of the City's well field as a viable option to increase water supply capacities and bring forward information as it becomes available.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: July 17, 2024- Presentation on Lockhart's Water Supply & Potential Demand

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends entering into the non-binding MOU.

LIST OF SUPPORTING DOCUMENTS: MOU for WaterSECURE project participation - City of Lockhart, Lockhart's Water Needs WaterSECURE_2025-06-17

**MEMORANDUM OF UNDERSTANDING
BETWEEN
GUADALUPE-BLANCO RIVER AUTHORITY AND
CITY OF LOCKHART**

This Memorandum of Understanding (“MOU”) is made by and between the Guadalupe-Blanco River Authority (“GBRA”), a conservation and reclamation district and political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution by special act of the Legislature, formerly compiled at Article 8280-106, Vernon’s Annotated Civil Statutes and City of Lockhart (“City”) pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code, to be effective on the date of the last signatory of this MOU (“Effective Date”). GBRA and City may be referred to herein individually as a “Party” or collectively as the “Parties”.

RECITALS

WHEREAS, GBRA is a conservation and reclamation district created under the authority of Article XVI, Section 59 of the Texas Constitution, consisting of that part of the State of Texas that is located within the boundaries of the Counties of Hays, Comal, Guadalupe, Caldwell, Gonzales, DeWitt, Victoria, Kendall, Refugio and Calhoun; and

WHEREAS, City is a home-rule municipality organized under the state laws of Texas; and

WHEREAS, GBRA currently provides wholesale raw and treated water to customers throughout its jurisdictional boundaries through the development of multiple regional projects and a project currently under construction; and

WHEREAS, GBRA is working with communities to develop additional water supplies to address growth, resiliency, and drought, and continues to actively collaborate with communities in GBRA’s jurisdictional boundaries to identify needs and implement regional water supply solutions for those communities (the “Participant Group”). Beginning in 2023, GBRA began to undertake preliminary engineering to determine new water supply options, projects, and combinations thereof that may meet the water needs of entities within the Participant Group. The resulting determination was that Participant Group members which are located in or south of Victoria County, Texas would receive raw water, while all other contracting Participant Group members would receive treated, potable water; and

WHEREAS, the results of the preliminary engineering determined that a combined raw and treated water project based on existing GBRA owned run-of-river water rights, when combined with new river diversion facilities, one or more off-channel reservoirs, aquifer storage and recovery, water treatment, delivery facilities, and integration of brackish and fresh groundwater (hereinafter collectively referred to as the “WaterSECURE Initiative” or “WaterSECURE”), is the best option

to meet a portion of the firm water needs of members of the Participant Group, as well as the firm, water needs of other entities, including City; and

WHEREAS, GBRA has provided preliminary costing information for the WaterSECURE Initiative to City.

AGREEMENT

For and in consideration of the mutual promises, obligations and benefits described in this MOU, the sufficiency of which is hereby acknowledged, GBRA and City agree as follows:

MOU SCOPE

1. PURPOSE. GBRA shall provide City the opportunity to participate in and receive water from the WaterSECURE Initiative that has available or uncommitted water supplies. GBRA will work with City to develop and execute treated water supply agreements and any other agreements that may be required to construct, expand, extend, and add infrastructure and deliver water to Participants, in the event that City decides to participate as a customer in the WaterSECURE Initiative. Participation in the WaterSECURE Initiative shall be based upon contract terms which are the same or substantially similar to those offered to other similarly situated participants.
2. PROJECT PARTICIPATION. City has identified that it desires to participate in the WaterSECURE Initiative at 7,348 acre-foot per year of treated water.
3. COLLABORATION. The Parties have and will continue to collaborate on and share water information that is focused on information currently available, as well as information about the Participant's projected short-term and long-term water demands, availability, supply needs, timing, and location to assist with the sizing of GBRA's WaterSECURE Initiative.
4. OBJECTIVE. The Parties agree that this MOU is intended to indicate City's specific water supply needs and a commitment by City to continue to collaborate with GBRA on the WaterSECURE Initiative. The identified Project Participation amount by the Participant is not binding and will be used only for project planning purposes. Any future water supply agreement that may be required to deliver water from the WaterSECURE Initiative to City will identify the rights, duties, and obligations of the Parties relating to the quantity of water to be produced if City decides to participate as a customer in the WaterSECURE Initiative. GBRA will develop such an agreement to participate in the WaterSECURE Initiative and plans to provide a draft agreement to City prior to September 1, 2025.

GENERAL PROVISIONS

5. **WORK PRODUCT OWNERSHIP.** The Parties shall retain ownership, right, title and interest in all written materials and information prepared, produced, and otherwise shared pursuant to this MOU.
6. **PARTICIPATION IN SIMILAR ACTIVITIES.** The Parties agree that this MOU shall not restrict either Party from participating in similar activities with other public or private agencies, organizations and individuals.
7. **DENIAL OF PARTNERSHIP.** The Parties are independent entities and are not agents, partners, joint venture participants or otherwise responsible for the acts, omission, or conduct of the other Party.
8. **APPLICABLE LAW.** The Parties agree that this MOU shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflict of law provisions.
9. **SEVERABILITY.** The Parties agree that whenever possible, each provision of this MOU shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this MOU.
10. **ENTIRE AGREEMENT.** The Parties agree that this MOU constitutes the entire agreement among and between the Parties relating to the WaterSECURE Initiative and supersedes any prior oral or written agreement among and between the Parties concerning the WaterSECURE Initiative.
11. **TERMINATION.** This MOU shall begin on the Effective Date and shall terminate upon the earlier of (1) April 30, 2026, or (2) the execution of a WaterSECURE Initiative Water Supply Agreement between GBRA and City, or (3) upon thirty (30) days following the prior written notice of termination provided by either Party.
12. **AMENDMENTS.** This MOU shall be subject to change or modification only with the mutual written consent of the governing bodies of each of the Parties.
13. **FORCE MAJEURE.** If for any reason of force majeure, either Party is rendered unable, wholly or in part, to carry out its obligations under this Agreement, then that Party shall give notice of the reasons in writing to the other Party within a reasonable time after the occurrence of the force majeure event. The obligation of the Party giving the notice, so far as it is affected by the force majeure, shall be suspended during the continuance of the

inability then claimed, but for no longer period. The term “force majeure” as used in this Agreement shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, order or actions of any kind of government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accident to dams, machinery, pipelines, canals, or other structures, partial or entire failure of water supply including pollution (accidental or intentional), and any other cause not reasonably within the control of GBRA or Customer.

14. ASSIGNMENT. This MOU shall not be assignable by either Party without the prior written consent of the other Party.
15. THIRD PARTIES. This MOU shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any third party.
16. NOTICES. For the purposes of notice, the addresses of and the designated representative for receipt of notice for each of the Parties shall be as follows:

For GBRA:

Guadalupe-Blanco River Authority
Attn: General Manager/CEO
2225 E. Common Street
New Braunfels, TX 78130

For City:

City of Lockhart
Attn: Mayor
PO Box 239
Lockhart, TX 78644

Executed in duplicate originals on the dates shown below.

Guadalupe-Blanco River Authority

City of Lockhart

By: _____
Darrell Nichols, General Manager/CEO

By: _____
Lew White, Mayor

Date: _____

Date: _____

Lockhart's Water Supply & Potential Demand

June 17, 2025

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AGENDA

- Current & Future Water Projections
- Further Development of the Well Field
- Aquifer Considerations
- WaterSECURE Water



Lockhart's Developments

City's Potential Development's as of 2025





Estimated Future Growth

Development	LUE's	Water Supply Demand (MGD)	Peak Water Supply Demand (MGD)**
City's Existing Demand (2025)*	6,842	4.87	7.79
Masonwood	543	0.39	0.62
Hillwood	3,749	2.67	4.27
Lay Ranch	366	0.26	0.42
Livengood	1,238	0.88	1.41
Riddle	715	0.51	0.81
Seawillow	2,676	1.91	3.05
Sendero	360	0.26	0.41
2039-2045 Estimated Growth (4.25%)	4,205	2.99	4.78
TOTALS FOR 2045	20,694	14.73	23.57

*The City's total connection count in the water system as of March 2025 was 6,315 connections. A conversion factor of 0.9225 was used to estimate the City's LUE's.

** A Peaking Factor of 1.6 was used to determine System's Peak Demand. Peak demands can be handled internally with City's water system rather than securing water for peak values.

- City current has seven (7) developments interested in Water Services
- Developments will be carried out in phases with estimated phasing between **2025-2039**
 - Cumulative LUE's from proposed developments will add 9,647 LUEs to the City's system
 - Average growth rate projected during phasing years is 7.39%
- Estimated growth from 2039-2045 determined based on 4.25% growth rate.



City’s Capacity to Handle Growth

City’s Water Supply	Capacity (MGD)
Luling-Lockhart Agreement	1.00
Carrizo Project Agreement	2.67
Existing Well Firm Capacity	3.43
Well Firm Capacity after 2024 W/WW Master Plan Improvements	4.50
Existing Total Supply	7.10
Total Supply after 2024 W/WW Master Plan Proposed Improvements (2 Water Well Upgrades)	8.17

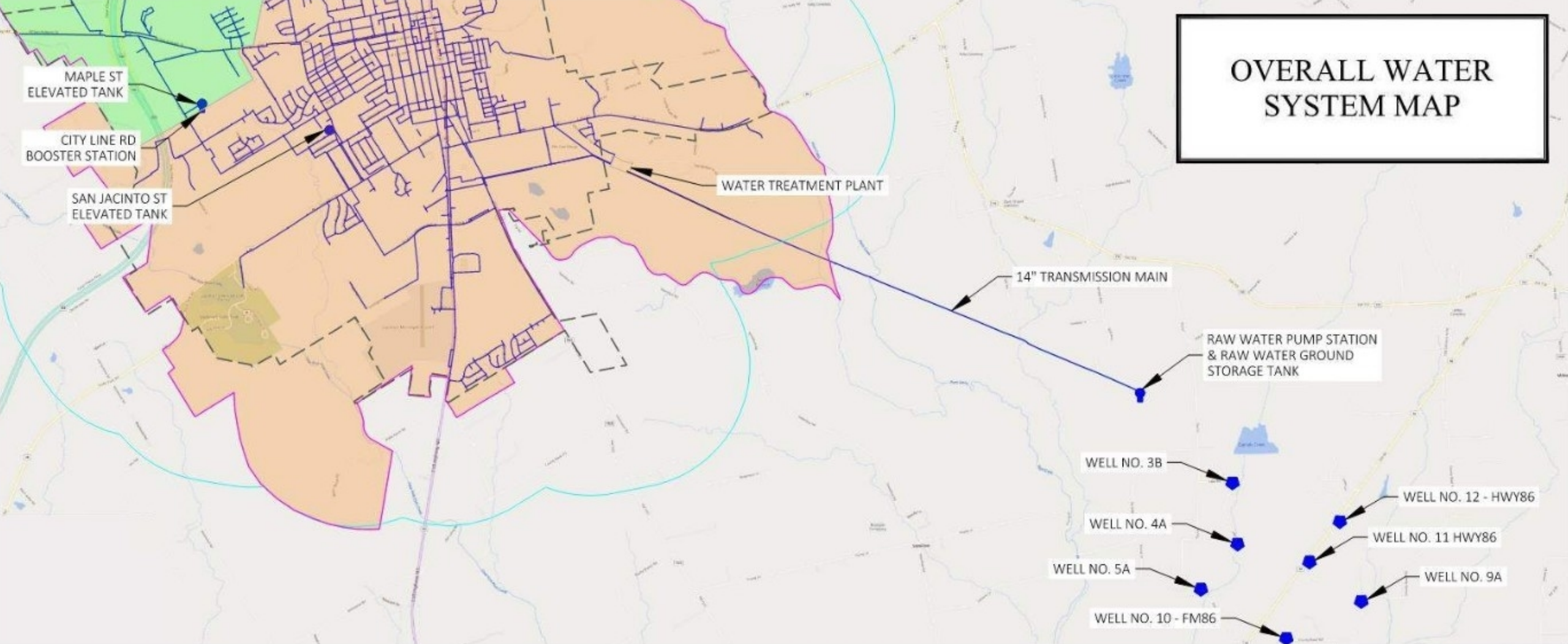
City’s Water Supply	Capacity (MGD)	Projected 2045 Water Supply Deficiency (MGD)
Existing Total Supply	7.10	7.63
Total Supply after 2024 W/WW Master Plan Proposed Improvements (2 Water Well Upgrades)	8.17	6.56

*As shown on previous slide, the projected Water Demand by 2045 is estimated to be approx. 14.73 MGD

Lockhart's Well Field

City's Water Supply Infrastructure





Lockhart's Water Wells

- Seven Existing Wells
- Producing Wells Capacity: 4.33 MGD
- Raw Water Pump Station & Ground Storage
- 12", 14", 18" Transmission Mains (Approx. 7.5 miles)



Lockhart Water Wells

Well Improvements



Existing Capacity

Well No.	Capacity (gpm)	Capacity (MGD)
3	234	0.34
4	340	0.49
5	240	0.35
9	400	0.58
10	550	0.79
11	618	0.89
12	624	0.90
Total	3006	4.33
Firm	2382	3.43

After Master Plan Improvements

Well No.	Capacity (gpm)	Capacity (MGD)
3	234	0.34
9	400	0.58
10	550	0.79
11	618	0.89
12	624	0.90
4.B	764	1.10
5.B	701	1.01
Total	3,891	5.60
Firm	3,127	4.50

- Well No. 4 and 5 are reaching the 50-year lifespan
- Proposed wells will be constructed in 2032 and 2040

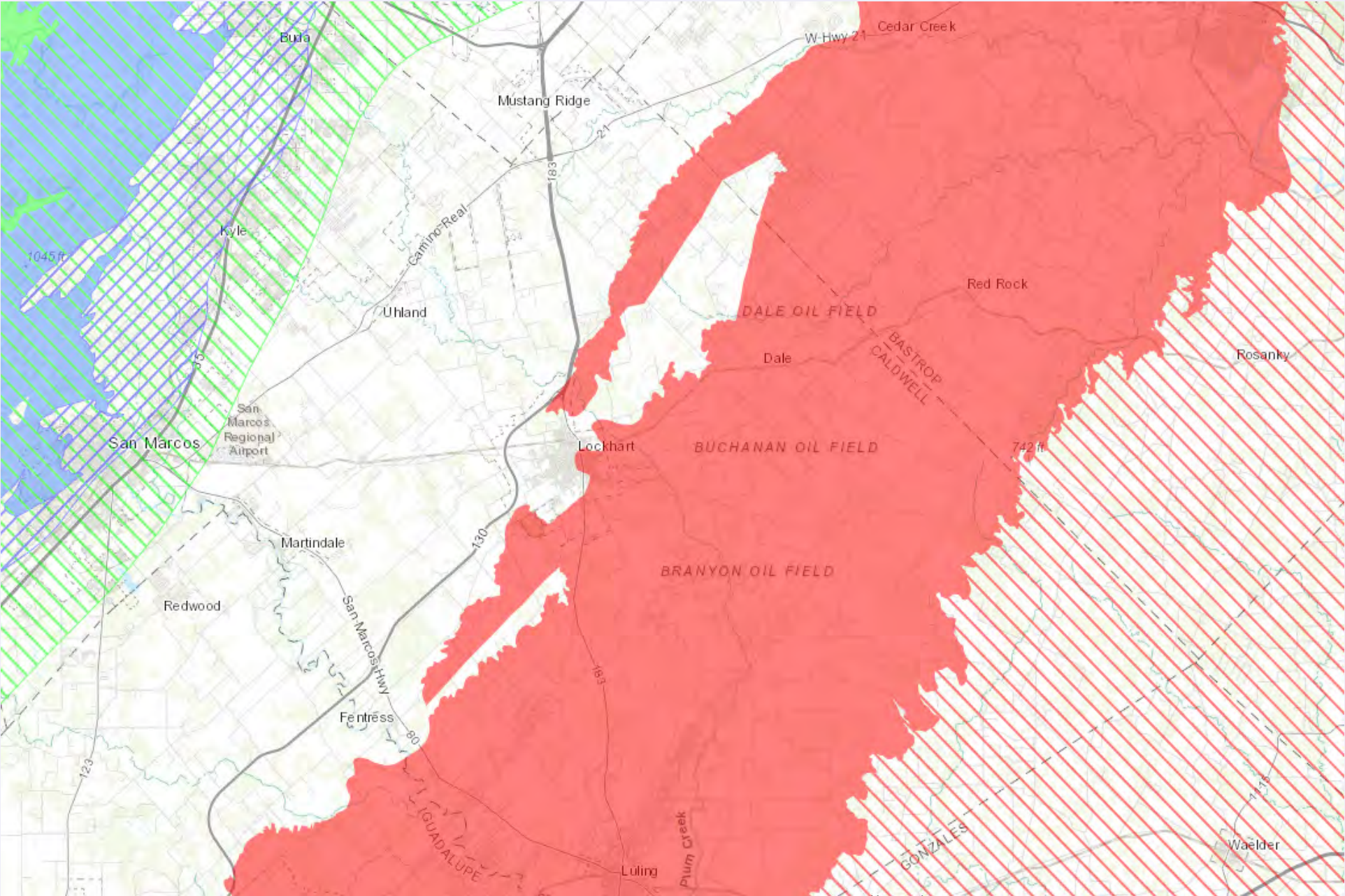


Aquifer Considerations

Lockhart's Primary Water Resource

- Carrizo-Wilcox Aquifer has been Lockhart water wells source for the past 60 years.
- Carrizo-Wilcox Aquifer is regulated by the Plum Creek Conservation District (PCCD)
- City will have to purchase or lease water rights for additional wells
 - ½ acre-ft per acre per year (113,000 gallons per acre per year)
 - Approx. 2,847 acres of water rights for well improvements
 - Acreage must be contiguous; ROWs not included
 - City could petition PCCD for variance on land requirement

Carrizo-Wilcox Aquifer



Additional Water Wells

Lockhart's Raw Water Infrastructure

- **Proposed Water Wells Estimate:**
 - Well No. 4.B (764 gpm): \$1,450,000
 - Well No. 5.B (701 gpm): \$1,400,000
- **Example: Two Current Wells (600 gpm)**
 - Well No.1: \$1,760,000
 - Well No.2: \$1,296,000

Transmission & Intake Structure

Lockhart's Raw Water Infrastructure

- **7.5-mile-long parallel transmission mains**
- Existing raw water pipelines can transport 5 MGD.
- **Example Cost for 7.5-mile Transmission Mains:**
 - 12-inch: \$13,500,000
 - 14-inch: \$14,850,000
 - 18-inch: \$16,335,000





Water Treatment Plant Upgrades

Treatment Infrastructure

- Existing Capacity of 5.7 MGD
- City will need to increase capacity of plant to handle additional raw water wells
- Estimated Range: \$5M to \$10M per MGD
- A detailed analysis of the plant's facilities will need to be performed.



WaterSECURE

Project by GBRA



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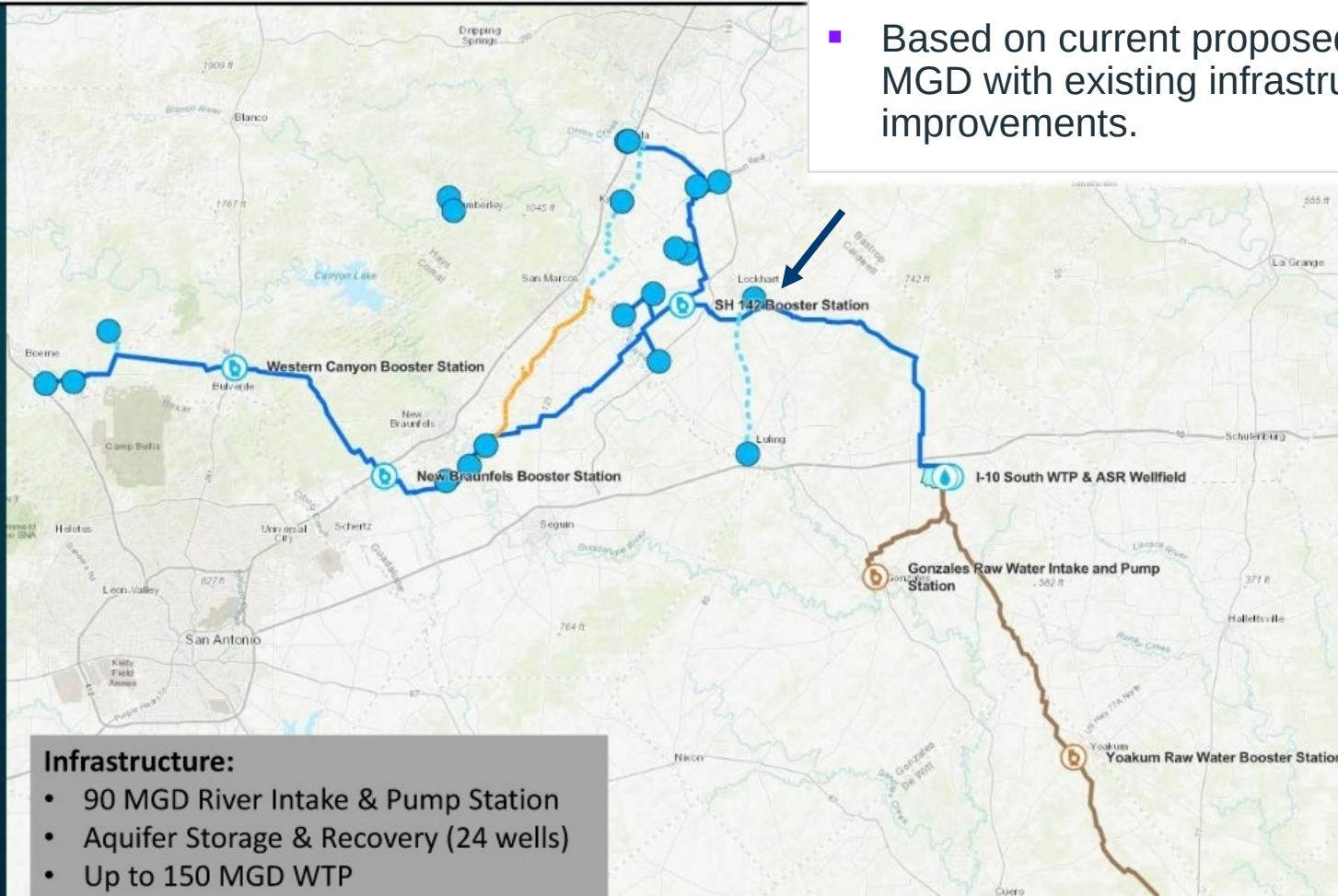


WaterSECURE

LOCKHART

- GBRA plans to bring 90 MGD of treated water to the surrounding areas.
- City will be paying for its portion of infrastructure to bring the water to the City.
- The City has previously requested 7 MGD of treated water.
- Based on current proposed developments, City would need 7.63 MGD with existing infrastructure or 6.56 MGD with Well improvements.

WaterSECURE Mid/Upper Basin Infrastructure

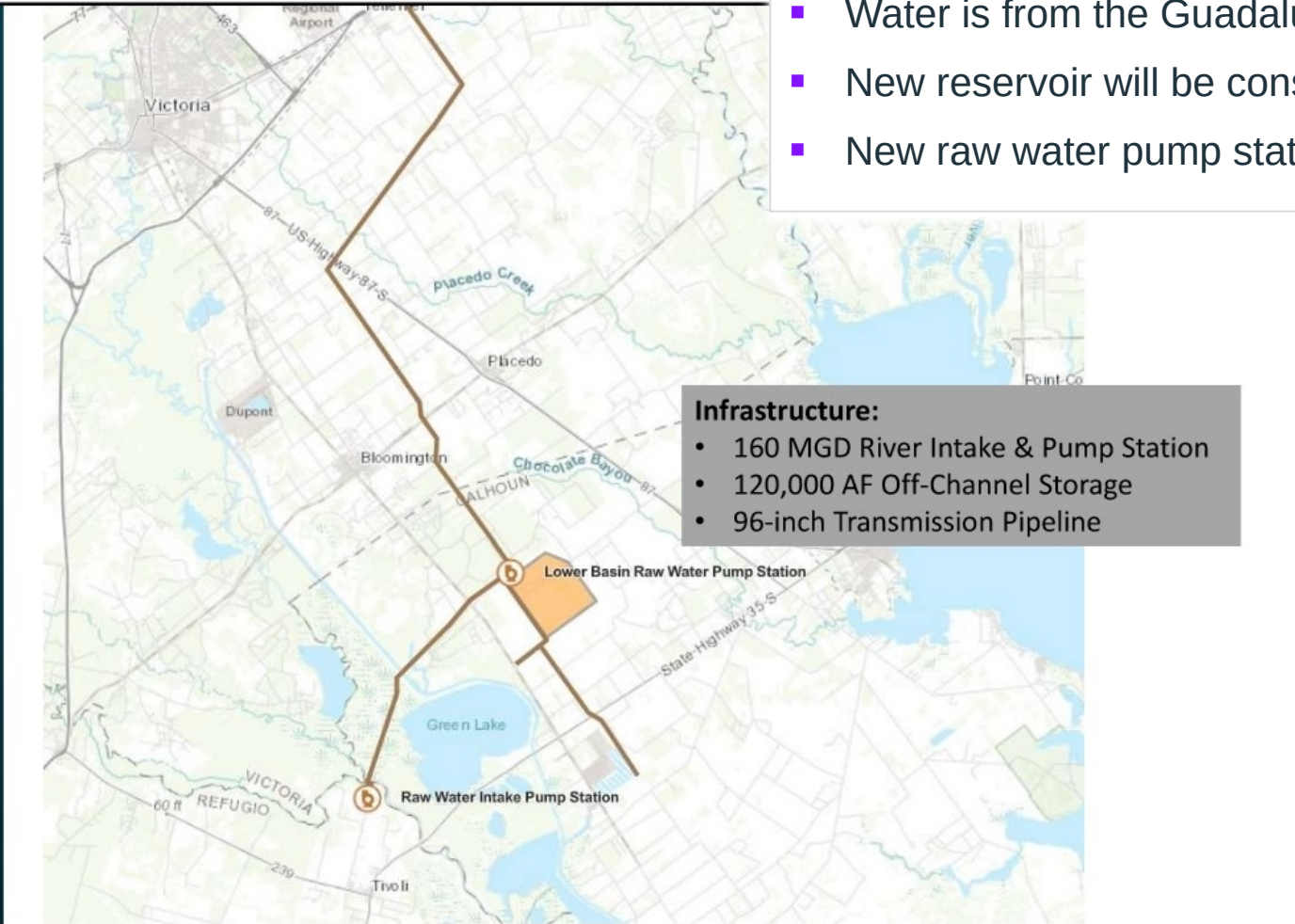


Infrastructure:

- 90 MGD River Intake & Pump Station
- Aquifer Storage & Recovery (24 wells)
- Up to 150 MGD WTP
- ~150 miles of Local Pipelines



WaterSECURE Lower Basin Infrastructure



- Water is from the Guadalupe River in Calhoun County.
- New reservoir will be constructed to store water from the river.
- New raw water pump station will be constructed.

WaterSECURE Infrastructure

Intake Location

Raw Water Pump Station, 96" Transmission Pipe, Treatment Plant



COST BREAKDOWN



WaterSECURE 7 MGD Cost Options

Payment Options Summary from Highest Total Cost to Lowest Total Cost					
Options	Total Cost	Payment Duration	Approx. Yearly Payments	Start Year	End Year
Scenario 2	\$1,267,000,000	37 years	\$36,605,000 for 32 years	2035	2071
Scenario 4	\$1,067,000,000	44 years	\$29,639,000 for 32 years	2028	2071
Scenario 1	\$1,009,000,000	27 years	\$40,996,000 for 22 years	2035	2061
Scenario 3	\$894,000,000	34 years	\$34,739,000 for 22 years	2028	2061
Raw Water Cost of 7 MGD (per year)			\$1,444,400		
Operation & Maintenance Cost of 7 MGD (per year)			\$7,065,000		

- Option 3 is the most cost effective.
- All cost begin declining the last five years of payments
- Both options beginning in 2028 have a 7-year ramp-up
- Both options beginning in 2035 start with consistent payments until 5-year ramp-down.

Breakdown



Additional Wells (7MGD)

- Well: \$10.7M (7 wells needed)
- New Transmission Line: \$14.8M
- Booster Pump Station: \$15M
- Ground Storage: \$6M
- Water Rights Acquisition: \$23M (15,693 acres)
- 20-ft Easement: \$0.24M
- Treatment Expansion: \$50M

TOTAL: \$119.74M (\$17.1M /MGD)*

*Cost does not include estimated yearly
O&M costs of \$2.50M

GBRA – WaterSECURE

- City's Share of Project Costs: \$1,059M

TOTAL: \$1,059M (\$151.28M /MGD)*

*Cost does not include yearly raw water
cost and O&M costs of \$8.51M

Thanks!

Feel free to contact the City or TRC's Office.



Call Us:

Will Wachel, PE
713.498.8488



Email Us:

wwachel@TRCcompanies.com
descutia@TRCcompanies.com



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City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discuss the 3rd Quarter Fiscal Year 2025 Investment Report.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: The Texas Public Funds Investment Act requires local governments to review and accept the quarterly investment reports for each quarterly reporting period of the fiscal year. The 3rd Quarter Investment Report of Fiscal Year End (FYE) 2025, ending June 30, 2025 is presented for your review and acceptance.

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: Staff recommends a motion to accept the 3rd Quarter Investment Report for FYE 2025.

LIST OF SUPPORTING DOCUMENTS: FYE 2025 3rd Quarter Report

CITY OF LOCKHART

Quarterly Investment Report
For the Quarter Ended June 30, 2025

July 15, 2025

CITY of LOCKHART
Quarterly Investment Report
For the Quarter Ended June 30, 2025

This report is presented in accordance with the Texas Government Code, Title 10, Chapter 2256, Public Funds Investment; Section 2256.023 known as the “Public Funds Investment Act”. Attached is a detailed City of Lockhart investment report for the period July 1, 2024 through September 30, 2024. The Investment Portfolio Summary reports the beginning and ending book values and market values for the quarterly reporting period as follows:

April 1, 2025

Cash
Marketable Securities
Investment Pools
Certificates of Deposits
Total:

Investment Portfolio	
Book Value	Market Value
875,439	875,439
0	0
44,560,690	44,561,772
0	0
45,436,129	45,437,211

June 30, 2025

Cash
Marketable Securities
Investment Pools
Certificates of Deposits
Total:

Fund Availability	
12,026,830	12,026,830
33,409,299	33,410,381
45,436,129	45,437,211

April 1, 2025

Unrestricted Funds
Restricted Funds
Total Funds

June 30, 2025

Unrestricted Funds
Restricted Funds
Total Funds

The investment portfolio, at all times during the quarter, complied with the Public Funds Investment Act and the City of Lockhart Investment Policy. TexPool, Texas CLASS and TexSTAR were also in compliance with the Public Funds Investment Act and the City of Lockhart Investment Policy throughout the quarter.

Steve Lewis
City Manager

Keeli Michna
Finance Director

CITY of LOCKHART
Investment Portfolio Summary
For the Quarter Ended June 30, 2025

	12/31/2024			
	9/30/2024	% of Total	Market Value	% of Total
<u>April 1, 2025</u>				
Cash	875,439	1.9%	875,439	1.9%
Marketable Securities	0	0.0%	0	0.0%
Investment Pools	44,560,690	98.1%	44,561,772	98.1%
Certificates of Deposits	0	0.0%	0	0.0%
Portfolio Total	45,436,129	100.0%	45,437,211	100.0%
<u>June 30, 2025</u>				
Cash	428,390	1.1%	428,390	1.1%
Marketable Securities	0	0.0%	0	0.0%
Investment Pools	38,389,390	98.9%	38,387,757	98.9%
Certificates of Deposits	0	0.0%	0	0.0%
Portfolio Total	38,817,780	100.0%	38,816,147	100.0%
<u>Change in Value</u>				
Cash	(447,049)		(447,049)	
Marketable Securities	0		0	
Investment Pools	(6,171,300)		(6,174,015)	
Certificates of Deposits	0		0	
Portfolio Total	(6,618,349)		(6,621,064)	
<u>Maturity Data</u>				
	0			
	Book Value @ 6/30/2025	Weighted Average Maturity	Yield to Maturity	
Cash	428,390	0 Days	1.00%	
Marketable Securities	0	0 Days	0.00%	
Investment Pools - Texas CLASS	21,239,701	37 Days *	4.45%	
Investment Pools - TexPool	7,462,405	38 Days *	4.30%	
Investment Pools - TexSTAR	9,687,285	41 Days *	4.30%	
Certificates of Deposits	0	0 Days	0.00%	
	38,817,780	38 Days	4.35%	

Benchmark - 6 Week Treasury Bills - Secondary Market @ June 30, 2025

4.25%

* Weighted Average Maturity of Pool Investments - City funds are available from pools upon request.

<u>Total Return On Investment</u>	<u>Interest Earned</u>
Cash	2,648
Marketable Securities	0
Investment Pools - Texas CLASS	232,505
Investment Pools - TexPool	122,221
Investment Pools - TexSTAR	103,177
Certificates of Deposits	0
Total Return on Investment	460,551

CITY OF LOCKHART
Cash Accounts (as reconciled to FLNB)
For the Quarter Ended June 30, 2025

General Operating Account - FLNB		
		<u>Value</u>
April 1, 2025	\$	875,439
Deposits		16,585,089
Withdrawals		(17,034,786)
Interest Earned		2,648
June 30, 2025	\$	428,390

Total Cash Accounts		
		<u>Value</u>
April 1, 2025	\$	875,439
Deposits		16,585,089
Withdrawals		(17,034,786)
Interest Earned		2,648
June 30, 2025	\$	428,390

CITY of LOCKHART
Marketable Securities Transaction Summary
For the Quarter Ended June 30, 2025

Type of Security	CUSIP	Purchase Date	Par Value	Coupon	Date of Maturity	Yield to Maturity	Purchase Price	Quarterly Interest Earned	Beginning Value @ Par	Beginning Book Value April 1, 2025	Beginning Market Value	Ending Value @ Par	Ending Book Value June 30, 2025	Ending Market Value
Totals			\$ -					-					0	0
			\$ -				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

0.22%

<u>Purchases</u>									
Type of Security	CUSIP	Purchase Date	Par Value	Coupon Rate	Date of Maturity	Yield to Maturity	Settlement Total	Price	Accrued Interest
Totals			\$ -				\$ -		\$ -

<u>Maturities</u>							
	Purchase Date	Par Value	Coupon Rate	Date of Maturity	Yield to Maturity	Settlement Total	
Totals		\$ -	0.59%			\$ -	

CITY OF LOCKHART
Investment Pool Transactions Summary
For the Quarter Ended June 30, 2025

TexPool - City of Lockhart					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	13,969,386	13,970,085	1.000050	37 Days	4.3345%
Deposits	5,315,000				
Withdrawals	(11,944,203)				
Interest Earned	122,221				
June 30, 2025	7,462,405	7,462,405	1.000000	38 Days	4.3000%

Texas CLASS					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	21,007,196	21,007,196	1.00000	48 days	4.4943%
Deposits	0				
Withdrawals	0				
Interest Earned	232,505				
June 30, 2025	21,239,701	21,238,677	0.999952	37 days	4.4532%

TexSTAR					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	9,584,108	9,584,491	1.00004	38 Days	4.3394%
Deposits	0				
Withdrawals	0				
Interest Earned	103,177				
June 30, 2025	9,687,285	9,686,674	0.999937	41 Days	4.2954%

Total of All Pools		
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>
April 1, 2025	44,560,690	44,561,772
Deposits	5,315,000	
Withdrawals	(11,944,203)	
Interest Earned	457,903	
June 30, 2025	38,389,390	38,387,757

Holdings During the Quarter

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Purchase Price	Quarterly Interest Earned	Beginning		Ending	
									Face Value	Market Value	Face Value	Market Value
									April 1, 2025		June 30, 2025	

\$ -

\$ - \$ - \$ - \$ - \$ -

Purchases

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Purchase Price
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\$ -

\$ -

Maturities

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Settlement Total
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\$ -

\$ -

<i>City of Lockhart</i>			
<i>Investment Pools</i>			
<u>Standard and Poor's Ratings</u>			
<u>Month</u>	<u>TexPool</u>	<u>TexSTAR</u>	<u>Texas CLASS</u>
July-24	AAAm	AAAm	AAAm
August-24	AAAm	AAAm	AAAm
September-24	AAAm	AAAm	AAAm
October-24	AAAm	AAAm	AAAm
November-24	AAAm	AAAm	AAAm
December-24	AAAm	AAAm	AAAm
January-25	AAAm	AAAm	AAAm
February-25	AAAm	AAAm	AAAm
March-25	AAAm	AAAm	AAAm
April-25	AAAm	AAAm	AAAm
May-25	AAAm	AAAm	AAAm
June-25	AAAm	AAAm	AAAm

<i>City of Lockhart</i>			
<i>Bank Collateralization</i>			
<u><i>Standard and Poor's Ratings</i></u>			
			FLNB
<u>Month</u>			<u>Collateralization *</u>
July-24			AAA
August-24			AAA
September-24			AAA
October-24			AAA
November-24			AAA
December-24			AAA
January-25			AAA
February-25			AAA
March-25			AAA
April-25			AAA
May-25			AAA
June-25			AAA
* Guaranteed by US government (AAA)			

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discuss Resolution 2025-23, suspending the August 19, 2025, effective date of the proposal by Texas Gas Service Company, a division of One Gas, Inc., Central-Gulf Service Area, to implement gas utility rate increases.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION:

On June 30, 2025, Texas Gas Service Company ("TGS" or "Company") a Division of ONE Gas, Inc. ("ONE Gas"), pursuant to Subchapter C of Chapter 104 of the Gas Utility Regulatory Act, filed its Statement of Intent to change gas rates at the Railroad Commission of Texas ("RRC") and in all municipalities exercising original jurisdiction within the incorporated areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas, effective August 19, 2025.

TGS is seeking to increase its revenues by \$41.1 million, which is an increase of 7.07% including gas costs, or 9.83% excluding gas costs. TGS is also seeking to consolidate all service areas into a single statewide jurisdiction served by TGS. The Company's proposed rates for all of its customers are based on the systemwide cost of providing service to customers throughout the entirety of Texas. TGS is also requesting: (1) approval of new depreciation rates for direct and division distribution and general plan within its service areas; (2) a finding that the expenses for COVID-19 that are contained in regulatory assets authorized by the Commission are reasonable, necessary, and accurate; (3) a prudence determination for capital investment made in Texas through December 31, 2024; (4) approval of the form of notice for the proposed Rate Schedule Pipeline Integrity Testing ("PIT"); and (5) approval to recover the reasonable rate case expenses associated with this filing through a surcharge on rates.

Since TGS is requesting consolidation of all its service areas, the Company will need to withdraw its existing tariffs to reflect the new TGS rates and/or related changes necessary to reflect consolidation. The Company's new proposed tariff includes: (1) a new Customer Assistance rate design and related scheduled; (2) revisions to the Rules of Service and T-Terms to include new definitions; (3) revisions to the Cost of Gas clause for consistency with all Company areas of service; and (4) combining the Commercial, Industrial, Public Authority and Compressed Natural Gas rate on the Transportation Schedule into one Transportation rate and adding a new Electric Generation rate design and rate schedule.

Resolution 2025-23 suspends the August 19, 2025 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with other similarly situated cities with original jurisdiction served by TGS, to evaluate the filing, to determine whether the filing complies with the law, and if lawful, to determine what further

City of Lockhart, Texas

Council Agenda Item Cover Sheet

strategy, including settlement, to pursue.

The law provides that the Company's rate request cannot become effective until at least 35 days following the filing of the application. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. **If the City fails to take some action regarding the filing before the effective date, TGS's rate request is deemed approved.**

Explanation of "Be It Resolved" Sections:

Section 1. The City is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective for any legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as "the maximum period allowed by law" rather than ending by a specific date. This is because the Company controls the effective date and can extend the deadline for final city action to increase the time that the City retains jurisdiction if necessary to reach settlement on the case. If the suspension period is not otherwise extended by the Company, the City must take final action on TGS's request to increase rates by August 19, 2025.

Section 2. This provision authorizes the City to participate in a coalition of cities served by TGS in order to more efficiently represent the interests of the City and their citizens.

Section 3. This section authorizes the hiring of Lloyd Gosselink Rochelle & Townsend, P.C. to represent the City in matters related to TGS's application to increase its rates.

Section 4. This section authorizes the City's intervention in TGS's application for approval to increase its rates before the Railroad Commission.

Section 5. This section requires the Company to reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by the coalition of cities will submit monthly invoices that will be forwarded to TGS for reimbursement. No individual city incurs liability for payment of rate case expenses by adopting a suspension resolution.

Section 6. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 7. This section provides that the City will provide a copy of the approved and signed resolution to representatives for TGS and the coalition of cities.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2025-23.

LIST OF SUPPORTING DOCUMENTS: Resolution 2025-23

RESOLUTION NO. 2025-23

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS SUSPENDING THE AUGUST 19, 2025 EFFECTIVE DATE OF TEXAS GAS SERVICE COMPANY'S REQUESTED INCREASE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES IN THE TEXAS GAS SERVICE COMPANY'S SERVICE AREA; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; AUTHORIZING INTERVENTION IN TEXAS GAS SERVICE'S STATEMENT OF INTENT TO CHANGE GAS UTILITY RATES AT THE RAILROAD COMMISSION; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

WHEREAS, on or about June 30, 2025, Texas Gas Service Company, a Division of ONE Gas, Inc. ("TGS" or "Company"), pursuant to Gas Utility Regulatory Act § 104.102, filed with the City of Lockhart ("City") a Statement of Intent to change gas rates in all municipalities exercising original jurisdiction within the incorporated areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas effective August 19, 2025; and

WHEREAS, the City is a gas customer of TGS and a regulatory authority with exclusive original jurisdiction over the rates and charges of TGS within the City; and

WHEREAS, it is reasonable for the City of Lockhart to cooperate with other similarly situated cities in conducting a review of the Company's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

WHEREAS, TGS has filed an application with the Railroad Commission, that could become the docket into which appeals of city action on the TGS filing are consolidated; and

WHEREAS, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

SECTION 1. That the August 19, 2025, effective date of the rate request submitted by TGS on or about June 30, 2025, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That the City is authorized to cooperate with other cities in the TGS service area to hire and direct legal counsel and consultants, negotiate with the Company, make recommendations to the City regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Railroad Commission.

SECTION 3. That, subject to the right to terminate employment at any time, the City of Lockhart hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to represent the City in all matters associated with the TGS application to increase rates and appeals thereof.

SECTION 4. That intervention at the Railroad Commission in the docket that the application is filed under is authorized.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed by the Company.

SECTION 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 7. A copy of this Resolution shall be sent to TGS representatives Judy Hitchye, Texas Gas Service Company, Barton Skyway IV, 1301 S. Mopac, Suite 400, Austin, Texas 78746 (Judy.Hitchye@onegas.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PASSED AND APPROVED this 15th day of July, 2025.

Lew White

Mayor, City of Lockhart

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discuss Resolution 2025-22, delaying action on an ordinance authorizing City of Lockhart, Texas combination tax and revenue certificates of obligation in an amount not to exceed \$20,000,000; and other matters related thereto.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: On May 20, 2025, City Council passed Resolution 2025-15 authorizing the publication of a notice of intent to issue Combination Tax and Revenue Certificates of Obligation in an amount not to exceed \$20,000,000. This notice stated the City Council tentatively proposed to authorize the issuance of the Certificates and hold a public hearing at its regular meeting to commence at 6:30 P.M. on July 15, 2025. Upon the advice of the City's Bond Counsel and Financial Advisor, City staff find it necessary to delay action on the ordinance authorizing the issuance of the Certificates until a regular meeting of the City Council to commence at 6:30 P.M. on August 5, 2025.

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: Approval of Resolution 2025-22.

LIST OF SUPPORTING DOCUMENTS: Resolution 2025-22

RESOLUTION NO. 2025-22

**RESOLUTION DELAYING ACTION ON AN ORDINANCE AUTHORIZING CITY OF
LOCKHART, TEXAS COMBINATION TAX AND LIMITED REVENUE
CERTIFICATES OF OBLIGATION IN AN AMOUNT NOT TO EXCEED \$20,000,000;
AND OTHER MATTERS RELATED THERETO**

THE STATE OF TEXAS
COUNTY OF CALDWELL
CITY OF LOCKHART

‘
‘
‘

WHEREAS, on May 20, 2025, the City Council of the City of Lockhart, Texas (the "City") passed a resolution authorizing the publication of a notice of intent (the "Notice Resolution") to issue City of Lockhart, Texas Combination Tax and Limited Revenue Certificates of Obligation in a maximum principal amount not to exceed \$20,000,000 (the "Certificates"); and

WHEREAS, the Notice Resolution stated that the City Council tentatively proposed to authorize the issuance of the Certificates and to hold a public hearing on the Certificates at its regular meeting of the City Council to commence at 6:30 p.m. on July 15, 2025; and

WHEREAS, upon the advice of the City's staff, the City finds it necessary to delay action on the ordinance authorizing the issuance of the Certificates until a regular meeting of the City Council to commence at 6:30 p.m. on August 5, 2025.

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

Section 1. Delaying Action. The City hereby delays action on the ordinance authorizing the issuance of the Certificates and the public hearing on the Certificates until a regular meeting of the City Council to commence at 6:30 p.m. on August 5, 2025 at its regular meeting place in the Clark Library Annex-Council Chambers, 217 South Main Street, 3rd Floor, Lockhart, Texas.

Section 2. Other Matters. This Resolution shall become effective immediately upon adoption. The Mayor and City Secretary are hereby authorized and directed to execute the certificate to which this Resolution is attached on behalf of the City and to do any and all things proper and necessary to carry out the intent of this Resolution.

PASSED AND APPROVED this 15th day of July, 2025.

Julie Bowermon, City Secretary

Lew White, Mayor

REGULAR MEETING
LOCKHART CITY COUNCIL

JULY 16, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
David Fowler, Planning Director
Travis Hughes, Parks Director

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Will Wachel of TRC

Citizens/Visitors Addressing the Council: Dana Platt and David Marsh of CARTS; Chance Parks of Freese and Nichols; Will Wachel of TRC; and Jim Gallegos, Citizen.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. PRESENTATION AND DISCUSSION REGARDING THE INTERLOCAL AGREEMENT (ILA) WITH CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) FOR FISCAL YEAR 2024-2025.

Mr. Resendez stated that on June 20, 2024, David Marsh, CARTS General Manager, submitted a funding request letter to staff for the City's Fiscal Year 2024-2025 budget for City Council consideration. CARTS is requesting \$40,000 to be approved by City Council for the upcoming fiscal year. Previously, City Council approved an Interlocal Agreement with CARTS in August 2023 to include a \$20,000 contribution for Fiscal Year 2023-2024. In 2022, CARTS introduced the CARTS Now service. The added costs for this type of service requires a higher level of funding.

Dana Platt and David Marsh provided information and there was discussion regarding CARTS' transportation services provided in the City of Lockhart.

B. PRESENTATION FROM FREESE AND NICHOLS INC, UPDATING THE PROGRESS OF COMPREHENSIVE PLAN DEVELOPMENT INCLUDING PRODUCTION OF DRAFT CHAPTERS, ACTIVITIES OF THE COMPREHENSIVE PLAN STEERING COMMITTEE, PUBLIC OUTREACH, AND REMAINING STEPS PRIOR TO COMPLETION.

Mr. Fowler stated that this will be Comprehensive Plan consultant Freese and Nichols' final briefing to City Council prior to the presentation of a final draft to the Planning and Zoning Commission and City Council. The most recent draft chapters produced have been Economics, Transportation, Infrastructure and Implementation. City staff has provided the full draft plan text to the City Council members.

Chance Parks of Freese and Nichols provided information and there was discussion regarding the following:

- Project schedule
- Community engagement
- Why we do Comprehensive Planning
- Engagement Themes
- What does “Responsible Growth” mean in Lockhart
- Document contents of Lockhart’s proposed Comprehensive Plan
- Community Snapshot
- Land Use and Development
- Growth Capacity Study
- Complete communities
- Transportation and Mobility
- Economic Development
- Public Facilities and Infrastructure
- Facility and Utility needs
- Implementation and using the plan

C. DISCUSSION REGARDING THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR CALDWELL COUNTY APPRAISAL DISTRICT (CCAD).

Mr. Resendez stated that on June 18, 2024, Council received the Caldwell County Appraisal District's (CCAD) Proposed Appraisal and Collection Budgets for the year January 1, 2025, through December 31, 2025. The most notable increases are a new position in the appraisal budget, technology upgrades, and increases in printing for legal notices. The Cadwell County Appraisal District's Board of Directors must approve the CCAD budget by September 15, 2024.

D. DISCUSSION REGARDING RESOLUTION 2024-17 REGARDING A PETITION BY DAVID ACEVEDO, EDUARDO ACEVEDO, VIRGINIA VILLAREAL AND MARGARITA BRITT TO ADD THE ENTIRETY OF A 498.778-ACRE PROPERTY IN THE JOHN A. NEILL SURVEY, ABSTRACT 20, LOCATED WEST AND SOUTH OF SEAWILLOW ROAD APPROXIMATELY 1,600 FEET EAST OF FM 1322 INTO THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF LOCKHART.

Mr. Fowler stated that this resolution is to accept the petition to add the entirety of the property that is the site of the Seawillow Ranch development, located to the east of the City Limits, south and west of Seawillow Road and east of FM 1322. If the petition is accepted, the City's current ETJ will expand by approximately 88 acres. The petition for the remainder of the land to be added to the ETJ is a result of negotiations between the City and Red Oak Development to bring all the land within the planned development into the City's ETJ prior to the eventual annexation of the entire development area. As part of the development agreement approved June 18, 2024, the applicant was required to submit a petition to add the portion of their property not currently within the Lockhart ETJ to the City's ETJ. The attached petition meets that requirement. The petition is the first step towards annexing the remaining portions of of the Seawillow Ranch property into the City Limits.

E. DISCUSSION REGARDING RECOMMENDATION TO AWARD BID TO S-CO INCORPORATED OF JEWETT, TEXAS IN THE AMOUNT OF \$317,326 FOR THE INSTALLATION AND FURNISHING OF RESIDENTIAL WATER METERS RELATED TO THE 2021 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (TXCDBG) CONTRACT NO. CDV21-0093.

Mr. Kelley stated that in late 2020, the City Council authorized the submission of a TxCDBG grant application for the replacement of residential water meters. Grant Development Services thereafter submitted the application for the grant in the amount of \$350,000. Projects selected for the grant must have a city-wide impact and the meter location for the project are located throughout the water distribution system. On January 6, 2023, the City was informed that Lockhart was awarded the grant that will replace 954 residential weather meters, approximately one quarter of the aging water meters in the system. Bids for the meter replacement grant were sought in compliance with State Law. Five (5) bids were received on June 6th, ranging from \$260,307.50 to a high of \$342,000.00. The lowest bidder, HydroPro Solution, recently notified the City that they would like to withdraw their bid because they could not perform the project based on the base bid submitted. Consequently, it is recommended that the project be awarded to the second-lowest bidder, S-CO Incorporated, in the amount of \$317,326.00. If approved, the next step will be to hold a pre-construction meeting with the contractor to coordinate the replacement of the residential meters. There was discussion.

F. DISCUSSION REGARDING RECOMMENDATION TO AWARD BID TO DENUCCI CONSTRUCTION, LLC OF AUSTIN, TEXAS IN THE AMOUNT OF \$10,829,910 FOR THE DOWNTOWN REVITALIZATION PROJECT AND AUTHORIZING THE MAYOR TO SIGN THE CONTRACTUAL DOCUMENTS.

Mr. Kelley stated that the Downtown Revitalization Project focuses on the nine-block centered around the historic Caldwell County Courthouse. The originating reasoning behind the upgrades was to improve aging water/wastewater infrastructure, address drainage issues and the resurfacing of the downtown streets. Additional scopes of work were previously discussed and added to the project to enhance the overall project esthetics. These include but are not limited to:

- Lighting and electric upgrades
- North and South Main Street road reconstruction
- Integrating building downspouts
- Sidewalk improvements for portions of the project limits
- Adding all-way stops at intersections
- Improving pedestrian safety with bulb-outs and pedestrian refuges
- Landscaping design, improvements and irrigation

Special consideration and coordination was incorporated in the contract to minimize disruptions to businesses, residents and special events that were within the project limitations. Along with individualized meetings with businesses and property owners, the engineering team met with the County stakeholders and governing agencies to integrate recommendations into the project.

Bids for the Downtown Revitalization Project were sought in compliance with State law. Five (5) sealed bids were received on May 9th, ranging from \$10,829,910 to \$12,824,393. The lowest qualified bidder was DeNucci Construction, LLC of Austin, Texas in the amount of \$10,829,910. Reference checks of the contractor have come back complementary and the company has a reputation of completing complex construction jobs. Therefore, it is recommended that the Downtown Revitalization Project be awarded to DeNucci Construction, LLC.

Will Wachel of TRC provided information about the following:

- Overall Project Scope
- Bids received (ranging from \$10,829,910 to \$12,824,393)
- Project cost estimate (\$9,590,000)
- Scope discussion

- Scope modifications
- Scope discussion results
- Schedule
- Next Steps

G. DISCUSSION REGARDING RECOMMENDATION TO APPROVE CHANGE ORDER NO. 1 FOR THE DOWNTOWN REVITALIZATION PROJECT, REDUCING THE SCOPE OF WORK FOR THE PROJECT IN THE AMOUNT OF \$651,735 TO A TOTAL CONTRACT AMOUNT OF \$10,178,175 AND AUTHORIZING THE CITY MANAGER TO SIGN, IF APPROVED.

Previously, on September 16, 2023, City Council was presented a refined estimate of probable cost for the Downtown Revitalization Project in the amount of \$9,586,616. After receiving bids for the project, the price received was higher than anticipated. The City Engineer was tasked with reviewing each unit price to identify any potential saving that would bring the overall costs closer to the estimated budget. As a result of the review, the City Engineer negotiated potential cost savings by reducing the scope of work while maintaining the project's intended outcome. Reductions to the scope include:

- Reducing utility replacements in alleyways
- Modifying various landscaping elements and associated irrigation
- Reduction in pedestrian lighting
- Focusing on paving and curb bulb-out within the nine-block project perimeter
- Removing pavers at crosswalks

Mayor White stated that Change Order #1 reduces the total contract amount by \$651,735.00, bringing the total contract amount for the project to \$10,178,175.00. The new contract amount is still higher than anticipated, but removing more items from the scope could impact the overall result expected from a project of this magnitude.

H. DISCUSSION REGARDING RECOMMENDATIONS FOR AN AQUATICS FACILITY SITE FROM THE LOCKHART PARKS AND RECREATION ADVISORY BOARD.

Mr. Hughes stated that on November 21, 2023, City Council directed city staff to evaluate at least three potential sites for the planned Aquatics Facility. City staff engaged Halff & Associates to perform an analysis of four potential sites. Four sites were ultimately analyzed. City staff, in concurrence with the Citizen Aquatics Committee and the Parks Advisory Board, reviewed all information provided for each site and determined that **Site #3** was the most appropriate location for the planned Aquatics Facility.

Site #1 is owned by the City and is approximately 6 acres, located on Carver Street. It is within City Park and is bisected by a road that connects City Park with Carver Street. It is the current location of a soccer field (east side of road) and a softball field (west side of road).

This site has access to utilities and is currently zoned Public and Institutional Use. In the Lockhart 2020 Land Use Plan, this property is identified as 'Parks Open Space' so an aquatics facility would fit the land use plan. There is no existing site drainage or detention. This would need to be included in any new development and would optimally be located on the southwest corner of the property.

This site would be an adequate location based on the information gathered. The property is already owned by the City, is adjacent to other City sports facilities, and has access from existing collector roads. However, the site is smaller than the others and would present challenges for expansion, such as the proposed future Recreation Center.

Site #2 is owned by Lockhart ISD and is approximately 10 acres, located on the North side of the Lockhart Jr. High and adjacent to the Jason La Fleur Soccer Complex. A portion of the property contains the

school's golf driving range.

This site has access to utilities and is also currently zoned Public and Institutional Use and is in congruence with the Lockhart 2020 Land Use Plan. There is no existing site drainage or detention, however there is an adjacent "regional" detention pond that may be able to accommodate detention needs.

This site would also be an adequate location based on the information gathered. It is large enough to accommodate future expansion, is adjacent to other City sports facilities, and is adjacent to the Jr. High School; a potential user of the facility. However, the property would need to be acquired from Lockhart ISD, improvements would need to be made to provide access from Maple Street and/or City Line Road, and there are several earthen spoil mounds on the property that need consideration. Additionally, the property is on the west edge of the City and may not be a convenient site for some City residents.

Site #3 is owned by Lockhart ISD and is approximately 20 acres, located on the Northeast side of the intersection of San Jacinto Blvd and Center Street. It is bound on the North by Clearfork Elementary School and on the West by Navarro Elementary School.

This site has access to utilities and has sidewalks, curbs, and gutters. It is zoned Public and Institutional Use and is in congruence with the Lockhart 2020 Land Use Plan. The land is currently vacant and flat, with the potential to have driveway access from both adjacent streets. There is no existing drainage and detention and would need to be included in the site development.

This site would be a good location based on the information gathered. It is larger than needed, so a smaller parcel would need to be carved out and acquired from Lockhart ISD. The property has excellent street access and is surrounded by residential zones, next to two elementary schools, and near Lockhart High School; all potential users of the facility.

Site #4 is privately owned and is approximately 34 acres, located on the South side of State Park Road (Hwy 20) and directly across the street from the Lockhart High School football stadium. A portion of the property, approximately 10 acres on the Northwest side of the tract, would need to be acquired from the owner.

This site is undeveloped land and has access to utilities. The property is currently zoned Residential High Density and would need to be rezoned. It is also not in accordance with the Lockhart 2020 Land Use Plan which identifies it as 'Mixed Retail, Office, Residential'. This site has no existing site drainage or detention and would need to be included in the site development.

This site would be an adequate location based on the information gathered. The property is large enough to accommodate future expansion and property frontage is accessible from a major arterial. However, frontage is on a TxDOT road that will need coordination and permitting for driveway access. There are also existing overhead high voltage power lines running through the north portion of the property, and a future planned collector road following the power lines path that need to be considered when designing driveway access.

RECOMMENDATION: City staff, in concurrence with the Citizen Aquatics Committee and the Parks Advisory Board, reviewed all information provided for each site and determined that **Site #3** was the most appropriate location for the planned Aquatics Facility and potential future Recreation Center. The primary considerations for selection are:

- Central Location
- Accessibility
- Property Size
- Proximity to Residential Areas
- Proximity to multiple LISD Campuses

In addition, the Lockhart ISD is very interested in partnering with the City in this endeavor to develop opportunities for Lockhart Students that may include a competitive swimming program, as well as Learn-to-Swim and Water Safety programs for elementary age students. If this site is approved by City Council, an interlocal agreement between both parties could be reached to provide for shared use of the facility and its operational costs.

I. DISCUSSION REGARDING RESOLUTION 2024-18 AUTHORIZING APPLICATION TO THE TEXAS PARKS AND WILDLIFE LOCAL PARK GRANT PROGRAM FOR AQUATICS FACILITY CONSTRUCTION FUNDING.

Mr. Hughes stated that a Texas Parks & Wildlife Grant for the Local Park Grant Program was identified as a potential funding source (\$750,000) for the planned Aquatics Facility. The Program provides 50% matching grants on a reimbursement basis to eligible applicants. All grant assisted sites must be dedicated as parkland in perpetuity, properly maintained and open to the public. Eligible applicants include political subdivisions of the State of Texas legally responsible for providing public recreation services to their citizens.

RECESS: Mayor White announced that the Council would recess for a break at 8:00 p.m.

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 8:15 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Mayor White gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

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

ITEM 4-A. HOLD A PUBLIC HEARING REGARDING APPLICATION ZC-24-04, BY CHARLOTTE HODGES OF CARLSON, BRIGANCE & DOERING, INC. ON BEHALF OF CERULEAN DOG INVESTMENTS AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2024-15 FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO RHD RESIDENTIAL HIGH DENSITY DISTRICT ON A TOTAL OF 8.6442 ACRES IN THE CORNELIUS CRENSHAW SURVEY, ABSTRACT NO. 68, LOCATED AT 351 CITY LINE ROAD.

Mayor White opened the public hearing at 8:20 p.m. and requested the staff background report.

Mr. Fowler stated that the applicant requests to change the zoning from AO to RHD for a property located immediately south of the Centerpoint Meadows subdivision. The property has frontage on both City Line Road and Cesar Chavez Parkway/SH 130. The property was designated Medium Density Residential in the 2020 Lockhart Comprehensive Plan. At the present time, there is no site plan or rendering for the proposed project. The applicant has stated that he anticipates applying for an SUP for the MF-2 Multifamily 2 development type, which would allow between 12-24 residential units per acre on the site. No letters of opposition have been received from the surrounding properties notified of the public hearing. There was discussion.

Mayor White requested the applicant to address the Council.

Jim Gallegos, Lakeway, Texas, stated that he would like to build approximately 200 residential properties that he hopes would recruit individuals/families that are looking to live in a smaller apartment complex.

Mayor White requested citizens to address the Council regarding the zoning change. There were none. He closed the public hearing at 8:47 p.m.

There was discussion.

Councilmember Mendoza made a motion to approve the Planning & Zoning Commission's recommendation to approve the rezoning to RMD; Ordinance 2024-15. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 5-A. APPROVE ORDINANCE 2024-16 AMENDING SECTION 52-62 OF THE CITY OF LOCKHART CODE OF ORDINANCES TO REVISE A REFERENCE TO ANOTHER SECTION OF THE SAME CHAPTER.

Mr. Fowler stated that the proposed amendment to Chapter 52, the subdivision ordinance, is being proposed to correct language found in Section 52-62 that includes a reference to Section 52-57, relating to the requirement of plats to contain rights-of-way or easements to accommodate essential public facilities or services. This reference is in error as it refers to a section that is listed in the range of sections that are reserved for future use and does not contain any text. Planning staff has identified Section 52-61 as the section that is intended to be referenced, and has written the ordinance to correct the reference. The Planning and Zoning Commission unanimously recommended approval.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-16, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 5-B. APPROVE MINUTES OF THE OCTOBER 17, 2023 AND OCTOBER 19, 2023 MEETINGS.

Councilmember Michelson made a motion to approve the minutes. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR CALDWELL COUNTY APPRAISAL DISTRICT (CCAD).

Councilmember Westmoreland made a motion to approve the CCAD budget, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-17 REGARDING A PETITION BY DAVID ACEVEDO, EDUARDO ACEVEDO, VIRGINIA VILLAREAL AND MARGARITA BRITT TO ADD THE ENTIRETY OF A 498.778-ACRE PROPERTY IN THE JOHN A. NEILL SURVEY, ABSTRACT 20, LOCATED WEST AND SOUTH OF SEAWILLOW ROAD APPROXIMATELY 1,600 FEET EAST OF FM 1322 INTO THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF LOCKHART.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2024-17, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO AWARD BID TO S-CO INCORPORATED OF JEWETT, TEXAS IN THE AMOUNT OF \$317,326.00 FOR THE INSTALLATION AND FURNISHING OF RESIDENTIAL WATER METERS RELATED

TO THE 2021 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (TXCDBG) CONTRACT NO. CDV21-0093.

Mayor Pro-Tem Sanchez made a motion to approve awarding the bid to S-Co Incorporated, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO AWARD BID TO DENUCCI CONSTRUCTION, LLC OF AUSTIN, TEXAS IN THE AMOUNT OF \$10,829,910 FOR THE DOWNTOWN REVITALIZATION PROJECT AND AUTHORIZING THE MAYOR TO SIGN THE CONTRACTUAL DOCUMENTS.

Mayor Pro-Tem Sanchez made a motion to approve awarding the bid to Denucci Construction, LLC, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO APPROVE CHANGE ORDER NO. 1 FOR THE DOWNTOWN REVITALIZATION PROJECT, REDUCING THE SCOPE OF WORK FOR THE PROJECT IN THE AMOUNT OF \$651,735 TO A TOTAL CONTRACT AMOUNT OF \$10,178,175 AND AUTHORIZING THE CITY MANAGER TO SIGN, IF APPROVED.

Mayor White requested that the water and sewer projects for this project to remain on the forefront of upcoming budgets.

Councilmember Lairsen made a motion to approve Change Order No. 1, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION TO CONSIDER RECOMMENDATIONS FOR AN AQUATICS FACILITY SITE FROM THE LOCKHART PARKS AND RECREATION ADVISORY BOARD.

Councilmember Westmoreland made a motion to approve the recommendation of Site #3, as presented during the work session, for an Aquatics Facility Site. Councilmember Michelson seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 6-G. DISCUSS AND CONSIDER ACTION REGARDING RESOLUTION 2024-18 AUTHORIZING APPLICATION TO THE TEXAS PARKS AND WILDLIFE LOCAL PARK GRANT PROGRAM FOR AQUATICS FACILITY CONSTRUCTION FUNDING.

Councilmember Michelson made a motion to approve Resolution 2024-18, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

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

- Update on the Caldwell County Capital Improvement Plan; public involvement; Lockhart Area Projects; financing.
- Rise Broadband construction activity.
- New Public Information Officer selected, scheduled to start July 24th.
- Update regarding the US 183 Overpass landscaping project.
- July 23 – FY 24-25 Budget Workshop; Capital Improvements Projects.
- July 24 – FY 24-25 Budget Workshop; ESD No. 5 Transition.
- Courthouse Nights will be held July 19, 2024.

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

Mayor Pro-Tem Sanchez thanked all involved with the successful 4th of July event. She expressed condolences to families that have lost a loved one. She invited everyone to the free backpack event at the Lions Club on Saturday. Pet spay and neuter clinic will be held this weekend.

Councilmember Castillo thanked staff for meeting with him to discuss budget and issues.

Mayor White thanked all involved with the success 4th of July event. He thanked all involved with the Downtown Revitalization Program.

ITEM 9. EXECUTIVE SESSION – IN ACCORDANCE WITH TEXAS GOVERNMENT CODE, SECTION 551.001, ET SEQ., THE CITY COUNCIL WILL RECESS INTO EXECUTIVE SESSION (CLOSED MEETING) TO DISCUSS THE FOLLOWING:

- A. Sec. 551.071 and Sec. 551.089: Private consultation with its attorney to seek advice about pending or contemplated litigation, settlement offer, or legal matters subject to attorney client privilege; and Security assessments or deployments relating to information resources technology, network security as described by Sec. 2059.055(b), or the deployment, or specific occasions for implementation of security personnel, critical infrastructure, or security devices – Relating to an audit of City financial institution access security.
- B. Sec. 551.071 and Sec. 551.074 - Private consultation with its attorney to seek advice about pending or contemplated litigation, settlement offer, or legal matters subject to attorney client privilege; and to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee – Finance Director.

Mayor White announced that the Council would enter Executive Session at 9:23 p.m.

ITEM 10. RECONVENE INTO OPEN SESSION - IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE, SEC. 551.001, ET SEQ., THE CITY COUNCIL WILL RECONVENE INTO OPEN SESSION TO CONSIDER ACTION, IF ANY, ON MATTERS DISCUSSED IN EXECUTIVE SESSION.

Mayor White announced that the Council would enter Open Session at 9:50 p.m.

There was no action taken.

ITEM 11. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 9:51 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

**SPECIAL MEETING/
BUDGET WORKSHOP
LOCKHART CITY COUNCIL**

JULY 23, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Julie Bowermon, City Secretary
Bob Leos, Electric Superintendent
Keeli Michna, Finance Director
Will Wachel, TRC Engineering

Joseph Resendez, Assistant City Manager
Sean Kelley, Public Works Director
Travis Hughes, Parks Director
Nikole Lockart, Animal Services Supervisor

Citizens/Visitors Addressing the Council: Will Wachel of TRC Engineering

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 6:30 p.m.

ITEM 2-A. PRESENTATION AND DISCUSSION OF THE CITY MANAGER'S WORKING BUDGET FOR FISCAL YEAR 2024-2025, INCLUDING BUT NOT LIMITED TO, CAPITAL IMPROVEMENT PROJECTS.

Mr. Resendez and department heads provided information and there was discussion regarding the following:

Electric Distribution

- Electric distribution System Study Project 7 includes engineering and design for rehabilitation to replace old copper power lines on the East side of Lockhart.
- Electric System Study Project 5C includes electric pole replacement on the North side of Lockhart.
- Electric System Study Project 6 includes replacing electric poles on Clearfork Street and surrounding streets.

Water/Wastewater (WWW)

- Finalizing WWW Master Plan.
- Painting interior and exterior of the San Jacinto elevated storage tower.
- Replacement of the 18 inch – 24 inch wastewater main along the north side of the railroad tracks
- Improvements at the wastewater lift station on Tank Street.
- Water main replacement project from San Jacinto Street to Bois D'arc Street to commence prior to consideration of repaving.
- Downtown Revitalization Project - water main replacement on North Church Street and sewer main replacement on Market Street.

Street Improvements

- Street resurfacing projects for several streets throughout the city.

Public Works

- Update the Construction Standards.
- Capital Improvements Projects
 - o Corridor Study on West San Antonio Street.
 - o Improvements on Mockingbird Lane and Borchert Drive.
 - o City Line Road, Old Fentress Road, San Antonio Street improvements.
 - o Highway 142 from 130 to Highway 80 – engineering and environmental study.
 - o Highway 142 from Borchert to Windsor – engineering and environmental study.
 - o FM 20 at Highway 183 – engineering and environmental study.

Airport

- Resurfacing the airport taxiway.
- Matching funds for a TxDOT grant to upgrade the office building, fencing, lighting and several other maintenance projects.

Projects not included in the City Manager’s Fiscal Year 2024-2025 proposed budget but discussed for consideration if funding is feasible:

- Drainage improvements on Medina Street near FM 20 and Walter Ellison.
- Extend stormwater drainage at Hunters Point.
- Replace aged water main on Prairie Lea Street between Cibilo and Rio Grande.
- Aspects involved to install new resource water lines.
- Wastewater pump replacement at the Airport.
- Water main replacement on Elm Street.

Will Wachel of TRC Engineering provided details and there was discussion about the proposed water/wastewater master plan.

Parks

- Parks improvements at Lions Park and City Park.
- Improvements at the sports complexes.
- Begin first phase of new aquatics facility.
- Lions Park – first phase improvements.
- Wayfinding signs – gateway to North entrance to Lockhart, Highway 142, Highway 183 South entrance and 130 South entrance at Maple Street.
- Improvements at the Little League Baseball field.
- Installation of new lights at the youth soccer field.

City Facilities

- Fire Station #1 remodel.
- City Hall renovations.
- Library exterior/interior painting.
- Improvements at the Lockhart Animal Shelter.

There was discussion regarding proposed certificates of obligation funds payments (approximately \$8Million), if the Council chooses to proceed.

There was discussion regarding the current utility, transportation infrastructure, water, and wastewater rates.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:26 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**SPECIAL MEETING/
BUDGET WORKSHOP
LOCKHART CITY COUNCIL**

JULY 24, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Julie Bowermon, City Secretary
Keeli Michna, Finance Director

Joseph Resendez, Assistant City Manager
Sean Charles, EMS Director
Tatiana Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: EMS Boardmember

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 6:30 p.m.

ITEM 2-A. PRESENTATION AND DISCUSSION OF THE CITY MANAGER'S WORKING BUDGET FOR FISCAL YEAR 2024-2025, INCLUDING BUT NOT LIMITED TO, THE TRANSITION FROM LOCKHART EMS TO THE CALDWELL COUNTY EMERGENCY SERVICES DISTRICT (ESD) NO. 5.

Mr. Resendez and Sean Charles presented information and there was discussion regarding the following:

EMS

- Staff has allocated four months of operating revenues and expenditures.
- Transition to the ESD No. 5 is anticipated in January 2025.

EMS transition to ESD No. 5

- Personnel – add another shift of 12 employees is anticipated in 2026 which will double or possibly triple the employees required for EMS services.
- Add an Associate Medical Director.
- Protocol training for paramedics.
- Provider license.
- Obtain drug enforcement agency license to allow staff to manage controlled substances.
- Contract billing and collections to an outside agency.
- ESD No. 5 signed a letter of intent to provide two ambulances.
- Anticipate adding one ambulance to house at FM 1185 by January 2025.
- Lockhart EMS Director will take over managing EMS personnel in Luling.
- Discussion regarding the paramedic hiring process when the ESD No. 5 is implemented.
- Staff currently working on a Transfer of Assets and Liability Agreement prior to implementing ESD No. 5.
- Lockhart EMS working on implementing a whole blood program.

After discussion, the Council requested an update about the transition to the ESD No. 5 prior to implementation.

EMS Board, thanked Mr. Charles for his leadership.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 7:04 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 6, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
David Fowler, Planning Director
Holly Malish, Economic Development Director

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Tatianna Salazar

Citizens/Visitors Addressing the Council: Citizens: Keith Johnson, Winn Smith, Rebecca Allen, Roberta Arispe, Alexander Volinter, Sonya Gonzales Villalobos, Michael Lewis, Loren Simpson, Catrina Voellinger, Taylor Burge, Mike Siegel, Elle Cross, Charles Cloutman, Roland Dozier, Robert Sale, Sam Benavides, Len Gabbay, Cheryl Dozier; and, Jason Eeds of the Guadalupe-Blanco River Authority.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. PRESENTATION OF PROCLAMATION DECLARING AUGUST 4 - 10, 2024 AS NATIONAL HEALTH CENTER WEEK.

Mayor White presented the proclamation to health care providers in the community.

EXECUTIVE SESSION

Mayor White announced that the Council would enter Executive Session at 6:38 p.m. in accordance with Texas Government Code, Section 551.071, private consultation with its attorney to seek legal advice about pending or contemplated litigation, settlement offer, or legal matter subject to attorney-client privilege. Discussion will be about agenda item B as listed below:

B. DISCUSSION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

RECONVENE TO OPEN SESSION

Mayor White announced that the Council would reconvene to Open Session at 7:02 p.m.

Brad Bullock, City Attorney, provided information about the Charter amendment process for the City of Lockhart. A single proposition option has been prepared for the public's review.

Mayor White announced that the Council would vote on the proposition language during the regular meeting.

RECESS: Mayor White announced that the Council would recess for a break at 7:07 p.m.

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Mayor White gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council on an issue that is not on the agenda.

Keith Johnson, Century Oaks Drive, expressed concern about poor drainage in the neighborhood. He stated that he has requested that the City address the drainage issue yet there has been no response.

ITEM 4-A. HOLD A PUBLIC HEARING ON APPLICATIONS ZC-24-05 AND PDD 24-03 BY WINN SMITH ON BEHALF OF MAINSPRINGS, LLC AND DISCUSSION AND/OR ACTION ON ORDINANCE 2024-17 FOR A ZONING CHANGE FROM PDD PLANNED DEVELOPMENT DISTRICT TO A REVISED PDD PLANNED DEVELOPMENT DISTRICT ON 1.778 ACRES LOCATED AT 416 NORTH CHURCH STREET, CONSISTING OF BLOCK 1, LOT 1 OF THE MAIN SPRINGS SUBDIVISION.

Mayor White opened the public hearing at 7:31 p.m. and requested the staff background report.

Mr. Fowler stated that the proposed Planned Development proposes to change the uses on the undeveloped portion of the Main Springs development, which is also known as the Leona, a vacation rental community. The proposal is to revise the existing PDD to change from the combination of townhouses, retail, and live/work units south of the creek bisecting the site to a new mix additional rental units, a retail building, and a mixed retail and vacation rentals building, and a special events lawn that will be built around two levels of concrete surfaces that remain from the site's previous use as a concrete plant. A swimming pool is also planned to be provided. The proposed change will bring the total vacation rental units on the site to 17, while eliminating the six townhouses and three apartments that were included in the original PDD. As in the existing version of the PDD, head-in street parking will be provided along Church Street and a driveway will connect Church Street to North Main Street. Six parking spaces will also be provided internal to the site. At the request of City staff, a sidewalk has been added to connect the site to West Pecan Street.

Mayor White requested the applicant to address the Council.

Winn Smith, Austin, Texas, provided details about the proposed development. There was discussion.

Mayor White requested citizens to address the Council regarding the zoning change.

Rebecca Allen, 515 Wichita, requested that an environmental assessment be conducted in reference to the existing animals living on undeveloped property, such as lizards. Mr. Smith replied that a required environmental assessment was conducted pertaining only to floods.

Roberta Arispe, Monte Vista Drive, expressed concern about parking and about possible contamination to the creek with chemicals such as lawn fertilizer. She also expressed concern about noise with the vacation rental venue. She stated that she would prefer the property to be developed as residential homes.

Alexander Volinter, Austin, questioned if the vacation rental use abides by the future land use plan.

Mayor White requested additional citizens to address the Council. There were none. He closed the public hearing at 8:15 p.m.

Councilmember Lairsen made a motion to approve Ordinance 2024-17 and PDD 24-03, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 4-B. HOLD A PUBLIC HEARING AND DISCUSSION AND/OR ACTION ON ORDINANCE 2024-18 AMENDING CHAPTER 64 "ZONING" OF THE LOCKHART CODE OF ORDINANCES, APPENDIX II, "SPECIFIC REQUIREMENTS FOR COMMERCIAL DISTRICTS" TO ADJUST THE MAXIMUM HEIGHT WITHIN THE CHB COMMERCIAL HEAVY BUSINESS DISTRICT AND TO ADD A REQUIRED PARKING MINIMUM FOR THE "HOTEL" USED WITHIN THE CHB COMMERCIAL HEAVY BUSINESS DISTRICT.

Mayor White opened the public hearing at 8:15 p.m. and requested the staff background report.

Mr. Fowler stated that the proposed text amendment is for the purpose of adjusting the maximum height for hotels in the CHB zoning district in order to facilitate the development of hotels in that district. The height limit for buildings in CHB is three stories and 40 feet. This height is too low to allow most modern hotel models, which are typically four-story designs, to be built by right. Additionally, the text amendment established a parking minimum based on spaces per room rather than per square foot, as the City's square footage-based requirement result in required parking much higher than what other cities require for hotels. Together, the suggested revisions will make it more feasible to build contemporary hotel designs in the only zoning district in which hotels are allowed by right. There was discussion.

Mayor White requested citizens to address the Council regarding the zoning text amendment. There were none. He closed the public hearing at 8:25 p.m.

Councilmember Lairsen made a motion to approve Ordinance 2024-18, as presented. Councilmember Michelson seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

Mr. Bullock stated that as a home rule municipality, amendments to the City's Charter are governed by Texas Local Government Code Chapter 9. When the City receives a proposed charter amendment that is supported by a petition signed by at least five percent (5%) of the qualified voters of the City or 20,000 qualified voters, whichever number is less, the City Council legally is required to order an election for the purpose of voting on the proposed charter amendment. The duty of the members of the City Council to order such an election when the requirements are met is a ministerial one and an election must be ordered. This does not reflect a policy endorsement or support of the measure being presented, but rather only reflects the Council's duty to follow established state law, to order the election. The language of a

ballot proposition is the responsibility of the authority ordering the election, not the responsibility of the party petitioning for an election to be called.

Mayor White requested citizens to address the Council.

Rebecca Allen, 515 Wichita Street, thanked the city for supporting community events to assist homeless individuals. She also suggested different language for the proposition.

Roberta Arispe, Lockhart, stated that she believes that the group that presented the charter amendment are not from Lockhart. She also stated that she believes that decriminalizing marijuana would increase crime and recommended that the proposition language be changed.

Sonya Gonzales Villalobos, Martindale, Texas, stated that she believes that the proposition language should be the same as presented on the petition that was presented to the City Secretary.

Michael Lewis, San Jacinto Street, spoke against the proposition language and requested that it be amended to be easy to read and understand.

Loren Simpson, Lago Vista, Texas, with Texas Cannabis Collective, stated that the proposition is being presented to many cities for the voters to decide on the issue. She suggested that the language for the proposition be simple and easy to understand.

Catrina Voellinger, with Ground Game Texas, requested that the proposition language be simple for the voters to understand what they are voting for.

Taylor Burge, 406 South Church, Lockhart, stated that many members of the community want to vote on the proposed proposition. She suggested that the language be changed so that voters can understand what they are voting about.

Mike Siegel, General Counsel of Ground Game Texas, stated that he is representing the voters that signed the petition. He stated that the Council's duties are: First: the ministerial duty to present the proposition with the language as presented on the petition to the City Secretary. Second, the ballot language is not allowed to confuse the voters. He stated that he believes that the ballot language that is presented by the Council is illegal because it confuses the voters.

Elle Cross, petition organizer, requested that the measure be presented to the voters in a clear and one sentence matter. She stated that the language on the petition should go on the ballot as a single measure as it was presented to the voters on the petition.

Charles Cloutman, Foxglove Drive, stated that he expected the Council to put the proposition on the ballot in simple language.

Roland Dozier, Maple Street, spoke against the proposed language for the proposition. He requested that the proposition language be simple for the voters to understand.

Robert Sale, FM 1185, stated that the proposed proposition language is too confusing. He requested that the language be less confusing and simple for the voters to understand.

Sam Benavides, Mano Amiga, requested that the proposed proposition language be shorter and less confusing.

Len Gabbay, 420 West Prairie Lea, suggested that the proposition ballot language be shorter and simple for voters to read and understand.

Cheryl Dozier, Maple Street, spoke against the perception of voter suppression by the Lockhart City Council/City of Lockhart. She suggested that the proposition language be simpler rather than what is currently being considered for the ballot language.

Mayor White closed the public comment section.

Councilmember Castillo made a motion that the proposed proposition language read as follows: “Shall the Charter of the City of Lockhart be amended to add a new Article 12 entitled Lockhart Freedom Act and adopting new policies that limit city enforcement of misdemeanor marijuana possession offenses.” (There was no second vote to the motion)

Councilmember Lairsen stated that he agreed that the language should be simpler.

Mr. Bullock read the Texas Supreme Court ruling that provides that the failing to adequately describe the amendment to the Charter could void an election. Laws to change an Ordinance are different than changing a Charter. The ballot shall be prepared so that a voter may approve or disapprove any one or more amendments without having to approve or disapprove all of the amendments. The definition of a single subject shall be determined by the governing body. He suggested that the proposition language at least include the heading of each section of the proposed Chapter 12.

There was discussion.

Mr. Bullock requested time to review and consider revisions to the proposition language prior to Council voting on the Ordinance ordering the Election during the regular meeting.

RECESS: Mayor White announced that the Council would recess for a break at 9:29 p.m.

RECONVENE MEETING: Mayor White announced that the Council would reconvene the meeting at 9:35 p.m.

ITEM 6-B. DISCUSS AND CONSIDER THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) TO OPERATE THE LOCKHART WATER AND WASTEWATER TREATMENT PLANTS.

Mr. Kelley stated that on June 18, 2024, Council received the proposed annual operating budget from GBRA and heard a presentation regarding the operations and maintenance of the Lockhart Water and Wastewater Treatment Plants. City staff requested more time at that meeting so that staff could thoroughly examine the proposed budgets. The most notable changes were the potential decrease in wastewater revenue at WWTP due to another local wastewater plant coming online mid-year with the ability to receive waste from septic haulers and impacts to the budget related to the Carrizo Groundwater Supply Project due to changes in quantities received from each source. GBRA's fiscal year runs from September 1st through August 31st each year. If approved, GBRA's proposed budgets for Fiscal Year 2024-2025 will be incorporated into the City of Lockhart's Proposed Annual Budget for Fiscal Year 2024-25.

Jason Eeds of GBRA provided details about the GBRA's budgets.

Councilmember Michelson made a motion to approve the GBRA's Fiscal Year 2024-2025 budgets, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-19 ACCEPTING A PETITION FOR AND CALLING A PUBLIC HEARING ON THE ADVISABILITY OF PUBLIC IMPROVEMENTS AND CREATION OF THE SEAWILLOW PUBLIC IMPROVEMENT DISTRICT PURSUANT TO CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE.

Mr. Lewis stated that as Council recalls, the City previously approved the Seawillow Development Agreement, which provides that the City will take steps to authorize the creation of a public improvement district ("PID"), created pursuant to Chapter 372 of the Texas Local Government Code. Chapter 372 sets forth the steps necessary to establish the creation of a PID, and this resolution is one of the first required steps. The purpose of a PID is to allow development to pay for itself and reimburse a developer for funding certain approved costs related to infrastructure and similar items that benefit the new development. This resolution is required to be approved so that the PID may continue in the creation process and thereafter be formed and an assessment may be levied against the development for the eventual reimbursement of approved costs. The proposed Resolution 2024-19 accepts the petition submitted by the developer for the PID, calls for a public hearing (required by law) and makes findings that its creation is advisable. A second resolution authorizing the creation of the PID will be presented to Council for consideration at a future meeting after publication of the required public hearing notices. The public hearing is scheduled for September 3, 2024 at 7:30 p.m. in Council Chambers.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2024-19, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-19 DENYING WEST TEXAS GAS (WTG) UTILITY, LLC'S REQUEST TO CHANGE RATES IN THE CITY AS PART OF THE COMPANY'S STATEWIDE GAS UTILITY SYSTEM AND REQUIRING A PROMPT REIMBURSEMENT OF COSTS INCURRED BY THE CITY PURSUANT TO CHAPTERS 102 AND 103 OF THE TEXAS UTILITIES CODE.

Mr. Lewis stated that on July 16, 2024, West Texas Gas Utility, LLC filed with the City a Statement of Intent to change gas rates in all municipalities within the company's statewide gas utility system effective August 20, 2024. This ordinance denies West Texas Gas Utility's request. Pursuant to the Texas Utilities Code, the City has exclusive jurisdiction to evaluate the company's Statement of Intent as it pertains to the distribution facilities located within the City. The Code also provides that costs included by the City in ratemaking activities are to be reimbursed by the regulated utility.

Councilmember Michelson made a motion to approve Ordinance 2024-19, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-E. PRESENTATION OF THE CITY OF LOCKHART'S FISCAL YEAR (FY) 2024-2025 PROPOSED BUDGET AND CONSIDER APPROVAL OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FY 2024-2025, AND SET TWO PUBLIC HEARINGS ON THE FY 2024-2025 CITY OF LOCKHART PROPOSED BUDGET.

Mr. Resendez stated that according to the City of Lockhart Charter, Article 9, Section 9.07, Public Hearing on Budget, the City Council shall hold a public hearing on the budget submitted and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein

contained. According to the Lockhart Economic Development Corporation's bylaws, Article 4, Section 3 Annual Corporate Budget, the President shall submit the budget to the City Council for approval prior to submittal to the Board for final adoption. The City of Lockhart is required by Charter to hold one public hearing on the budget. Staff recommends conducting two public hearings to allow the citizens of Lockhart the opportunity to discuss any item or amount presented in the proposed FY 2024-2025 Budget. The following dates are presented to the Council for public hearings:

- August 20, 2024 at 7:30 p.m.
- September 3, 2024 at 7:30 p.m.

To be held in the Council Chambers located at the Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas. The City of Lockhart and the Lockhart Economic Development budget for FY 2024-2025 can be located on the City's website and hard copies are located in City Hall and the City Library.

Mr. Resendez provided details about the proposed City of Lockhart budget.

Ms. Malish provided details about the proposed Lockhart Economic Development budget.

Mayor Pro-Tem Sanchez made a motion to approve the Lockhart Economic Development budget for Fiscal Year 2024-2025, as presented and to set public hearing dates of the City of Lockhart's proposed Fiscal Year 2024-2025 budget on August 20, 2024 and September 3, 2024 at 7:30 p.m. in the Council Chambers, Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING SETTING THE 2024 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Mr. Resendez stated that the action taken by the City Council is required by the State of Texas in adherence with the Truth-In-Taxation laws. If the proposed tax rate exceeds either the No New Revenue (NNR) rate or Voter Approval Rate (VAR), a record vote must be taken to place a proposal to adopt the rate on the agenda for a future Council meeting. If the motion passes, the Council must schedule and announce the date, time, and location of one (1) public hearing regarding the proposed tax rate set by the Council. As directed by Council, the aforementioned public hearing is scheduled on September 3, 2024, at 7:30 p.m. in the Council Chambers located in the Clark Library Annex - Council Chambers, 217 South Main Street, 3rd floor, Lockhart, Texas. Senate Bill 2 has limited the percentage increase from No New Revenue to Voter Approval Rate by 3.5% but has added a new unused incremental rate adjustment. The 2024 Voter Approval Rate (VAR), as prepared by the Caldwell County Appraisal District, is 0.5093/\$100 assessed valuation. This rate includes the unused increment rate. He stated that a record vote is required. There was discussion.

Mayor White made a motion to set the City of Lockhart's current ad valorem tax rate at 50.93 cents which includes a debt rate of 10.26 cents and an M&O rate of 40.67 cents and authorize staff to place on the agenda for adoption by ordinance on September 3, 2024 at 7:30 p.m. in the Council Chambers located in the Clark Library Annex. Councilmember Lairsen seconded.

The roll call vote is as follows:

Mayor Lew White – yes
Councilmember Brad Westmoreland – yes
Councilmember Juan Mendoza – yes
Mayor Pro-Tem Angie Gonzales-Sanchez – yes
Councilmember John Lairsen – yes
Councilmember John Castillo – yes
Councilmember Jeffry Michelson – yes

The motion passed by a vote of 7-0.

ITEM 6-G. DISCUSS AND CONSIDER RESCHEDULING CITY COUNCIL MEETINGS IN 2024 DUE TO CONFLICTS WITH EVENTS.

Ms. Bowermon stated that annually reviewing council meeting dates for conflicts is important to provide Development Services with an accurate Council meeting schedule when publishing public notice information about public hearings, such as zoning change applications. On December 5, 2023, City Council reviewed meeting dates for 2024 and authorized the current meeting calendar. At that time, it was the consensus of the City Council to approve the calendar, which included a meeting on October 1st and November 5th, and address any conflicts on a case-by-case basis as needed in the future.

The calendar reflects meeting conflicts in 2024 as listed below:

- **October 1** – National Night Out
- **November 5** - Election Day - Although the City of Lockhart was not scheduled to hold an election on November 5, 2024, a petition for a proposed charter amendment has been submitted.

There was discussion.

Councilmember Westmoreland made a motion to reschedule the October 1 and November 5 meetings to the next Thursday (October 3 and November 7). Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-H. ANNOUNCEMENT OF NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Mayor White announced that the item would be placed on the next Council meeting agenda for a vote.

ITEM 5-A. APPROVE CITY COUNCIL MINUTES OF THE OCTOBER 23, 2023, OCTOBER 30, 2023, AND NOVEMBER 20, 2023 MEETINGS.

Councilmember Michelson made a motion to approve the minutes, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 5-B. APPROVE PIPELINE CROSSING AND ENCROACHMENT AGREEMENTS BETWEEN UNION PACIFIC RAILROAD (UPRR) AND THE CITY OF LOCKHART RELATED TO THE LOCKHART ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANT.

Councilmember Michelson made a motion to approve the Pipeline Crossing and Encroachment agreements with Union Pacific Railroad, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

Mr. Bullock provided the Council with the revised language of the proposition. He stated that the language provides the header of each item and a few words describing what each header means and it puts the voters on notice about each item that is proposed to be voted on. Section 2 of Ordinance 2024-20 is recommended to be revised to include the revised language of the proposition.

Councilmember Castillo made a motion that the proposed proposition language be as follows:

“Shall the Charter of the City of Lockhart be amended to add a new Article 12 entitled Lockhart Freedom Act and adopting new policies that limit city enforcement of misdemeanor marijuana possession offenses.” Councilmember Mendoza seconded. The motion failed by a vote of 2-5, with Mayor White, Mayor Pro-Tem Sanchez and Councilmembers Westmoreland, Michelson and Lairsen opposing.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-20 with the revised proposition language to Section 2, as presented by the City Attorney. Councilmember Lairsen seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

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

- Update regarding the creation of the City’s Homelessness Outreach Team.
- Update regarding Austin Community College (ACC): Annexation Election for Lockhart Independent School District territory.
- Movies in the Park – Saturday, August 10th.
- School starts August 20th: City Park swimming pool will remain open through August with modified hours of operation while lifeguards are available.

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

Councilmember Mendoza wished students good luck on a new school year. He encouraged everyone to be mindful of the school buses.

Mayor Pro-Tem Sanchez expressed condolences to families that have lost a loved one. She thanked all that have helped with school supplies and backpacks for students. She wished all students a good school year and she thanked teachers for their dedication.

Councilmember Lairsen wished students a good school year. He thanked citizens for voicing their opinions on city issues.

Councilmember Castillo thanked all involved with the 1923 filming in downtown Lockhart. He stated that box fans are still available at City Hall to needy senior citizens. He thanked city staff for their work. He thanked all involved with helping students have school supplies.

Councilmember Michelson thanked citizens for their input. He wished students and teachers a good school year.

Mayor White also wished students and teachers a good school year. He expressed get well prayers for a few students that are in bad health this year.

ITEM 9. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded.
The motion passed by a vote of 7-0. The meeting was adjourned at 10:26 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion regarding a request from Councilmember Castillo to initiate possible amendments to Chapter 64, Zoning, to prohibit manufactured housing in residential zoning districts.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Steven Lewis, David Fowler

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: City Councilmember John Castillo has requested an agenda item regarding the possibility of amending the zoning code to remove the current provisions through which manufactured housing can be permitted in the RHD residential High Density and RMD Residential Medium Density zoning districts.

City Council and the Planning and Zoning Commission could undertake this or any other proposed text amendment with the goal of ensuring the orderly development of the City. The public hearings before City Council and the Planning and Zoning Commission should consider changing circumstances in the City that make the proposed change necessary, and whether the proposed change is consistent with the City's Comprehensive Plan.

The specific change to Chapter 64 would be to remove manufactured homes from the list of uses allowed with an approved Specific Use Permit from the RMD and RHD zoning districts while also removing language in Section 64-200 that allows for the installation of a manufactured home on a lot not within a mobile home park. To keep the City's zoning ordinance with state case law, the Manufactured Home (MH) zoning district would remain in place, allowing for manufactured homes to remain in manufactured home parks with the appropriate zoning.

PROJECT SCHEDULE (if applicable): If City Council directs staff to prepare amendments to the zoning ordinance, the proposed amendments would likely be heard in public hearings at Planning and Zoning Commission in late July or early August and then return to City Council in August.

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: Planning and Zoning Commission would make a recommendation regarding proposed text changes if Council directs staff to research and draft amendments to Chapter 64.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Direct staff regarding initiating the process of amending Chapter 64, Zoning, to restrict manufactured housing in residential zoning districts.

LIST OF SUPPORTING DOCUMENTS: Manufactured Homes on Residential Lots

(e) Residential medium density district (RMD) (formerly R-2). This district provides medium population density areas within the city which allows for tracts with either single or multiple dwelling units, having a single principal structure with necessary accessory buildings for residential purposes and associated specific uses.

(1) Development types allowed in this district:

- a. Single-family-1, SF-1.
- b. Single-family-2, SF-2.
- c. Duplex family-1, DF-1.
- d. Patio home-1, PH-1.

(2) The following development types permitted within this district require a specific use permit:

- a. Townhouse-1, TH-1.
- b. Patio home-2, PH-2.
- c. Combined family-1, CF-1.
- d. Condominium-1, CM-1.
- e. Duplex family-2, DF-2.

(3) The following uses are allowed by-right:

- a. Dwellings of the development type allowed within this district.
- b. Home occupations.
- c. Accessory dwelling unit—Limited.
- d. Temporary real estate sales office in a structure intended for permanent occupancy as a dwelling in a new subdivision.

(4) The following uses require a specific use permit:

- a. Dwellings of the development type permitted within this district.
- b. Manufactured home, in accordance with the standards in subsection [64-200\(a\)](#) and subject to the requirements of appendix II for the MH district.
- c. Child care center, in detached structure only.
- d. All uses permitted in the public and institutional district.
- e. All uses permitted in the planned development district.
- f. Wireless telecommunication facility—Low impact, subject to the requirements of [section 64-202](#).
- g. Lodging or boarding house.
- h. Bed and breakfast inn.
- i. Accessory dwelling unit—General.

(f) Residential high density district (RHD) (formerly R-3). This district provides high population density areas within the city which allow for tracts with either single or multiple dwelling units, with either single or multiple principal structures with necessary accessory buildings for residential purposes and associated specific uses.

(1) Development types allowed within this district:

- a. Single-family-1, SF-1.
- b. Single-family-2, SF-2.
- c. Duplex family-1, DF-1.
- d. Duplex family-2, DF-2.
- e. Patio home-1, PH-1.
- f. Patio home-2, PH-2.
- g. Combined family-1, CF-1.
- h. Townhouse-1, TH-1.
- i. Condominium-1, CM-1.
- j. Multifamily-1, MF-1.

(2) The following development types permitted within this district require a specific use permit:

- a. Combined family-2, CF-2.
- b. Townhouse-2, TH-2.
- c. Condominium-2, CM-2.
- d. Multifamily-2, MF-2.

(3) The following uses are allowed by-right:

- a. Dwellings of the development type allowed within this district.
- b. Home occupations, except in MF-2.
- c. Lodging or boarding house.
- d. Bed and breakfast inn.
- e. Accessory dwelling unit—Limited.
- f. Accessory dwelling unit—General.
- g. Temporary real estate sales office in a structure intended for permanent occupancy as a dwelling in a new subdivision.

(4) The following uses require a specific use permit:

- a. Dwellings of the development type permitted within this district.
- b. Manufactured home, in accordance with the standards in subsection [64-200\(a\)](#) and subject to the requirements of appendix II for the MH district.
- c. Child care center, in detached structure only.
- d. All uses permitted in the public and institutional district.
- e. All uses permitted in the planned development district.
- f. Wireless telecommunication facility—Low impact, subject to the requirements of [section 64-202](#).

Sec. 64-200. - Same—Manufactured homes and modular dwellings.

(a) The installation of a manufactured home on an individual residential lot not within a manufactured home park shall comply with the following standards, except as noted. An existing nonconforming mobile or manufactured home be replaced in the same location with a manufactured home, as defined in [section 64-2](#), not complying with one or more of the following standards if such replacement home is a newer model, is at least as large as the prior manufactured home, and as a minimum complies with subsections (3), (4), (6), (7), and (8), below. This exception does not require approval of a specific use permit, but may be used only once at the same location unless the reason for replacement is damage caused by fire or natural disaster.

(1) The home shall be a new HUD-Code manufactured home not previously installed or occupied in any other location.

(2) Except where limited by the width of lots pre-existing on [effective date of adoption], the widest horizontal dimension of manufactured homes must face the street.

(3) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.

(4) Axle and hitch assemblies shall be removed at the time of placement on the foundation.

(5) The finished floor of the manufactured home shall be no more than 25 inches above the average adjacent ground level at the foundation on all sides visible from an abutting street, or from a lot containing a site-built single-family dwelling, except where the floor must be higher in order to be a minimum of 12 inches above the top of the highest abutting street curb or street crown if no curb. If necessary to maintain a minimum of 18 inches required for clearance between the ground and bottom of floor joists, the foundation may be recessed in a pit that is provided with a proper drainage system approved by a registered professional engineer, or by raising the grade of the earth in the yards where needed adjacent to the structure.

(6) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.

(7) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home if a concrete foundation does not already enclose that space.

(8) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.

(9) The owner shall cancel the personal property title on the manufactured home so that it can be rendered as real property for the purpose of ownership, taxes, insurance and financing.

(10) The land and structure shall be under the same ownership.

(b) The installation of a manufactured home on a leased space in a manufactured home park shall comply with the following standards:

(1) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.

(2) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.

(3) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home.

(4) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.

(c) The installation of a modular dwelling shall comply with the following standards, in addition to the regulations and codes normally applicable to site-built dwellings:

(1) The dwelling and lot shall have an estimated taxable value after installation of the dwelling equal to or greater than the median taxable value for each single-family dwelling located within 300 feet of the lot on which the modular home is proposed to be located, as determined by the most recent certified tax appraisal roll.

(2) The exterior siding, roofing, roof pitch, foundation fascia, and fenestration shall be compatible with single-family dwellings located within 300 feet of the lot on which the modular home is to be located.

(Ord. No. 97-21, § V(28-7-5), 10-7-97; Ord. No. 98-03, § II, 2-17-98; Ord. No. 98-15, § II, 7-7-98; Ord. No. 04-34, § II, 12-21-04; Ord. No. 08-02, § II, 3-18-08)

Cross reference— Manufactured home parks, [ch. 34](#).

From Chapter 64, Appendix II Table:

District: MH (Manufactured Home) (Note 9)

Minimum Lot Area (sq. ft.): 7,000

Minimum Lot Dimensions (ft.): 65 wide by 100 deep

Maximum Lot Coverage with Structures: 30 percent

Minimum Building Setbacks from Property Line (ft.): Street- 25; Side- 7.5 each side abutting another lot; and Rear- 10

Maximum Height: 2 stories

Off-Street Parking Spaces Required: 2, plus 1 for each additional bedroom over 3 bedrooms

On corner lots, the street setback shall be 25 ft. minimum on one street and 15 ft. minimum on the other street. See [Chapter 34](#), Code of Ordinances for manufactured home parks.

Note 9: These requirements are only for manufactured homes or site-built single-family dwellings on residential lots. Manufactured home parks shall comply with the provisions of [chapter 34](#), City Code.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion regarding the City of Lockhart's activities to commemorate and celebrate the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026.

ORIGINATING DEPARTMENT AND CONTACT: Council - Mayor Lew White

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: Mayor White asked that an item be placed on the agenda to discuss the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026.

The purpose of the item is to discuss how the City of Lockhart could develop its own spirited tribute to celebrate this occasion.

During the U.S. bicentennial in 1976, communities devised their own local celebrations including: community parties, concerts, parades, airshows, fireworks, storytelling, re-enactments, civics instruction, etc.

A review of the 1976 Lockhart Post Register archives reveals the following events/activities took place in Lockhart:

- Bicentennial Salute - 2,000 balloons launched and given to children.
- Bicentennial Dance - At City Park, sponsored by Lockhart Jaycees.
- 4th of July Dance in Rockne.
- Daughters of the Revolution - Invitation to a local chapter meeting at the Caldwell County District Courtroom.
- Bicentennial Savings Bond - Lockhart State Bank sold Independence Day Savings Bonds and marketed them as "collectors items."

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Council direction to consider forming a

City of Lockhart, Texas

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community planning committee.

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Receive the 3rd Quarter Fiscal Year 2025 Investment Report.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: The Texas Public Funds Investment Act requires local governments to review and accept the quarterly investment reports for each quarterly reporting period of the fiscal year. The 3rd Quarter Investment Report of Fiscal Year End (FYE) 2025, ending June 30, 2025 is presented for your review and acceptance.

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: Staff recommends a motion to accept the 3rd Quarter Investment Report for FYE 2025.

LIST OF SUPPORTING DOCUMENTS: FYE 2025 3rd Quarter Report

CITY OF LOCKHART

Quarterly Investment Report
For the Quarter Ended June 30, 2025

July 15, 2025

CITY of LOCKHART
Quarterly Investment Report
For the Quarter Ended June 30, 2025

This report is presented in accordance with the Texas Government Code, Title 10, Chapter 2256, Public Funds Investment; Section 2256.023 known as the “Public Funds Investment Act”. Attached is a detailed City of Lockhart investment report for the period July 1, 2024 through September 30, 2024. The Investment Portfolio Summary reports the beginning and ending book values and market values for the quarterly reporting period as follows:

April 1, 2025

Cash
Marketable Securities
Investment Pools
Certificates of Deposits
Total:

Investment Portfolio	
Book Value	Market Value
875,439	875,439
0	0
44,560,690	44,561,772
0	0
45,436,129	45,437,211

June 30, 2025

Cash
Marketable Securities
Investment Pools
Certificates of Deposits
Total:

Fund Availability	
12,026,830	12,026,830
33,409,299	33,410,381
45,436,129	45,437,211

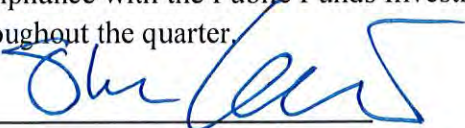
April 1, 2025

Unrestricted Funds
Restricted Funds
Total Funds

June 30, 2025

Unrestricted Funds
Restricted Funds
Total Funds

The investment portfolio, at all times during the quarter, complied with the Public Funds Investment Act and the City of Lockhart Investment Policy. TexPool, Texas CLASS and TexSTAR were also in compliance with the Public Funds Investment Act and the City of Lockhart Investment Policy throughout the quarter.



Steve Lewis
City Manager



Keeli Michna
Finance Director

CITY of LOCKHART
Investment Portfolio Summary
For the Quarter Ended June 30, 2025

	12/31/2024			
	9/30/2024	% of Total	Market Value	% of Total
<u>April 1, 2025</u>				
Cash	875,439	1.9%	875,439	1.9%
Marketable Securities	0	0.0%	0	0.0%
Investment Pools	44,560,690	98.1%	44,561,772	98.1%
Certificates of Deposits	0	0.0%	0	0.0%
Portfolio Total	45,436,129	100.0%	45,437,211	100.0%
<u>June 30, 2025</u>				
Cash	428,390	1.1%	428,390	1.1%
Marketable Securities	0	0.0%	0	0.0%
Investment Pools	38,389,390	98.9%	38,387,757	98.9%
Certificates of Deposits	0	0.0%	0	0.0%
Portfolio Total	38,817,780	100.0%	38,816,147	100.0%
<u>Change in Value</u>				
Cash	(447,049)		(447,049)	
Marketable Securities	0		0	
Investment Pools	(6,171,300)		(6,174,015)	
Certificates of Deposits	0		0	
Portfolio Total	(6,618,349)		(6,621,064)	
	0			
<u>Maturity Data</u>	<u>Book Value @ 6/30/2025</u>	<u>Weighted Average Maturity</u>	<u>Yield to Maturity</u>	
Cash	428,390	0 Days	1.00%	
Marketable Securities	0	0 Days	0.00%	
Investment Pools - Texas CLASS	21,239,701	37 Days *	4.45%	
Investment Pools - TexPool	7,462,405	38 Days *	4.30%	
Investment Pools - TexSTAR	9,687,285	41 Days *	4.30%	
Certificates of Deposits	0	0 Days	0.00%	
	38,817,780	38 Days	4.35%	

Benchmark - 6 Week Treasury Bills - Secondary Market @ June 30, 2025

4.25%

* Weighted Average Maturity of Pool Investments - City funds are available from pools upon request.

<u>Total Return On Investment</u>	<u>Interest Earned</u>
Cash	2,648
Marketable Securities	0
Investment Pools - Texas CLASS	232,505
Investment Pools - TexPool	122,221
Investment Pools - TexSTAR	103,177
Certificates of Deposits	0
Total Return on Investment	460,551

CITY OF LOCKHART
Cash Accounts (as reconciled to FLNB)
For the Quarter Ended June 30, 2025

General Operating Account - FLNB		
		<u>Value</u>
April 1, 2025	\$	875,439
Deposits		16,585,089
Withdrawals		(17,034,786)
Interest Earned		2,648
June 30, 2025	\$	428,390

Total Cash Accounts		
		<u>Value</u>
April 1, 2025	\$	875,439
Deposits		16,585,089
Withdrawals		(17,034,786)
Interest Earned		2,648
June 30, 2025	\$	428,390

CITY of LOCKHART
Marketable Securities Transaction Summary
For the Quarter Ended June 30, 2025

Type of Security	CUSIP	Purchase Date	Par Value	Coupon	Date of Maturity	Yield to Maturity	Purchase Price	Quarterly Interest Earned	Beginning Value @ Par	Beginning Book Value April 1, 2025	Beginning Market Value	Ending Value @ Par	Ending Book Value June 30, 2025	Ending Market Value
Totals			\$ -					-					0	0
							\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Purchases														
Type of Security	CUSIP	Purchase Date	Par Value	Coupon Rate	Date of Maturity	Yield to Maturity	Settlement Total	Price	Accrued Interest					
Totals			\$ -				\$ -		\$ -					

Maturities														
Type of Security	CUSIP	Purchase Date	Par Value	Coupon Rate	Date of Maturity	Yield to Maturity	Settlement Total	Price	Accrued Interest					
Totals			\$ -	0.59%			\$ -		\$ -					

CITY OF LOCKHART
Investment Pool Transactions Summary
For the Quarter Ended June 30, 2025

TexPool - City of Lockhart					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	13,969,386	13,970,085	1.000050	37 Days	4.3345%
Deposits	5,315,000				
Withdrawals	(11,944,203)				
Interest Earned	122,221				
June 30, 2025	7,462,405	7,462,405	1.000000	38 Days	4.3000%

Texas CLASS					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	21,007,196	21,007,196	1.000000	48 days	4.4943%
Deposits	0				
Withdrawals	0				
Interest Earned	232,505				
June 30, 2025	21,239,701	21,238,677	0.999952	37 days	4.4532%

TexSTAR					
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>	<u>Net Asset</u> <u>Value</u>	<u>Weighted Aver.</u> <u>Maturity</u>	<u>Average</u> <u>Monthly Yield</u>
April 1, 2025	9,584,108	9,584,491	1.000004	38 Days	4.3394%
Deposits	0				
Withdrawals	0				
Interest Earned	103,177				
June 30, 2025	9,687,285	9,686,674	0.999937	41 Days	4.2954%

Total of All Pools		
	<u>Book</u> <u>Value</u>	<u>Market</u> <u>Value</u>
April 1, 2025	44,560,690	44,561,772
Deposits	5,315,000	
Withdrawals	(11,944,203)	
Interest Earned	457,903	
June 30, 2025	38,389,390	38,387,757

Holdings During the Quarter

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Purchase Price	Quarterly Interest Earned	Beginning		Ending	
									Face Value	Market Value	Face Value	Market Value
									April 1, 2025		June 30, 2025	

\$ -

\$ - \$ - \$ - \$ - \$ -

Purchases

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Purchase Price
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\$ -

\$ -

Maturities

CD Number	Holder	Purchase Date	Face Value	Interest Rate	Date of Maturity	Yield to Maturity	Settlement Total
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\$ -

\$ -

<i>City of Lockhart</i>			
<i>Investment Pools</i>			
<u>Standard and Poor's Ratings</u>			
<u>Month</u>	<u>TexPool</u>	<u>TexSTAR</u>	<u>Texas CLASS</u>
July-24	AAAm	AAAm	AAAm
August-24	AAAm	AAAm	AAAm
September-24	AAAm	AAAm	AAAm
October-24	AAAm	AAAm	AAAm
November-24	AAAm	AAAm	AAAm
December-24	AAAm	AAAm	AAAm
January-25	AAAm	AAAm	AAAm
February-25	AAAm	AAAm	AAAm
March-25	AAAm	AAAm	AAAm
April-25	AAAm	AAAm	AAAm
May-25	AAAm	AAAm	AAAm
June-25	AAAm	AAAm	AAAm

<i>City of Lockhart</i> <i>Bank Collateralization</i> <u>Standard and Poor's Ratings</u>			
			FLNB
<u>Month</u>			<u>Collateralization *</u>
July-24			AAA
August-24			AAA
September-24			AAA
October-24			AAA
November-24			AAA
December-24			AAA
January-25			AAA
February-25			AAA
March-25			AAA
April-25			AAA
May-25			AAA
June-25			AAA
* Guaranteed by US government (AAA)			

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Approve Resolution 2025-23, suspending the August 19, 2025, effective date of the proposal by Texas Gas Service Company, a division of One Gas, Inc., Central-Gulf Service Area, to implement gas utility rate increases.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION:

On June 30, 2025, Texas Gas Service Company ("TGS" or "Company") a Division of ONE Gas, Inc. ("ONE Gas"), pursuant to Subchapter C of Chapter 104 of the Gas Utility Regulatory Act, filed its Statement of Intent to change gas rates at the Railroad Commission of Texas ("RRC") and in all municipalities exercising original jurisdiction within the incorporated areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas, effective August 19, 2025.

TGS is seeking to increase its revenues by \$41.1 million, which is an increase of 7.07% including gas costs, or 9.83% excluding gas costs. TGS is also seeking to consolidate all service areas into a single statewide jurisdiction served by TGS. The Company's proposed rates for all of its customers are based on the systemwide cost of providing service to customers throughout the entirety of Texas. TGS is also requesting: (1) approval of new depreciation rates for direct and division distribution and general plan within its service areas; (2) a finding that the expenses for COVID-19 that are contained in regulatory assets authorized by the Commission are reasonable, necessary, and accurate; (3) a prudence determination for capital investment made in Texas through December 31, 2024; (4) approval of the form of notice for the proposed Rate Schedule Pipeline Integrity Testing ("PIT"); and (5) approval to recover the reasonable rate case expenses associated with this filing through a surcharge on rates.

Since TGS is requesting consolidation of all its service areas, the Company will need to withdraw its existing tariffs to reflect the new TGS rates and/or related changes necessary to reflect consolidation. The Company's new proposed tariff includes: (1) a new Customer Assistance rate design and related scheduled; (2) revisions to the Rules of Service and T-Terms to include new definitions; (3) revisions to the Cost of Gas clause for consistency with all Company areas of service; and (4) combining the Commercial, Industrial, Public Authority and Compressed Natural Gas rate on the Transportation Schedule into one Transportation rate and adding a new Electric Generation rate design and rate schedule.

Resolution 2025-23 suspends the August 19, 2025 effective date of the Company's rate increase for the maximum period permitted by law to allow the City, working in conjunction with other similarly situated cities with original jurisdiction served by TGS, to evaluate the filing, to determine whether the filing complies with the law, and if lawful, to determine what further

City of Lockhart, Texas

Council Agenda Item Cover Sheet

strategy, including settlement, to pursue.

The law provides that the Company's rate request cannot become effective until at least 35 days following the filing of the application. The law permits the City to suspend the rate change for 90 days after the date the rate change would otherwise be effective. **If the City fails to take some action regarding the filing before the effective date, TGS's rate request is deemed approved.**

Explanation of "Be It Resolved" Sections:

Section 1. The City is authorized to suspend the rate change for 90 days after the date that the rate change would otherwise be effective for any legitimate purpose. Time to study and investigate the application is always a legitimate purpose. Please note that the resolution refers to the suspension period as "the maximum period allowed by law" rather than ending by a specific date. This is because the Company controls the effective date and can extend the deadline for final city action to increase the time that the City retains jurisdiction if necessary to reach settlement on the case. If the suspension period is not otherwise extended by the Company, the City must take final action on TGS's request to increase rates by August 19, 2025.

Section 2. This provision authorizes the City to participate in a coalition of cities served by TGS in order to more efficiently represent the interests of the City and their citizens.

Section 3. This section authorizes the hiring of Lloyd Gosselink Rochelle & Townsend, P.C. to represent the City in matters related to TGS's application to increase its rates.

Section 4. This section authorizes the City's intervention in TGS's application for approval to increase its rates before the Railroad Commission.

Section 5. This section requires the Company to reimburse the cities for their reasonable rate case expenses. Legal counsel and consultants approved by the coalition of cities will submit monthly invoices that will be forwarded to TGS for reimbursement. No individual city incurs liability for payment of rate case expenses by adopting a suspension resolution.

Section 6. This section merely recites that the resolution was passed at a meeting that was open to the public and that the consideration of the Resolution was properly noticed.

Section 7. This section provides that the City will provide a copy of the approved and signed resolution to representatives for TGS and the coalition of cities.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

City of Lockhart, Texas

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Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2025-23.

LIST OF SUPPORTING DOCUMENTS: Resolution 2025-23

RESOLUTION NO. 2025-23

A RESOLUTION OF THE CITY OF LOCKHART, TEXAS SUSPENDING THE AUGUST 19, 2025 EFFECTIVE DATE OF TEXAS GAS SERVICE COMPANY'S REQUESTED INCREASE TO PERMIT THE CITY TIME TO STUDY THE REQUEST AND TO ESTABLISH REASONABLE RATES; APPROVING COOPERATION WITH OTHER CITIES IN THE TEXAS GAS SERVICE COMPANY'S SERVICE AREA; HIRING LEGAL AND CONSULTING SERVICES TO NEGOTIATE WITH THE COMPANY AND DIRECT ANY NECESSARY LITIGATION AND APPEALS; AUTHORIZING INTERVENTION IN TEXAS GAS SERVICE'S STATEMENT OF INTENT TO CHANGE GAS UTILITY RATES AT THE RAILROAD COMMISSION; REQUIRING REIMBURSEMENT OF CITIES' RATE CASE EXPENSES; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL

WHEREAS, on or about June 30, 2025, Texas Gas Service Company, a Division of ONE Gas, Inc. ("TGS" or "Company"), pursuant to Gas Utility Regulatory Act § 104.102, filed with the City of Lockhart ("City") a Statement of Intent to change gas rates in all municipalities exercising original jurisdiction within the incorporated areas of the Central-Gulf, West North, and Rio Grande Valley Service Areas effective August 19, 2025; and

WHEREAS, the City is a gas customer of TGS and a regulatory authority with exclusive original jurisdiction over the rates and charges of TGS within the City; and

WHEREAS, it is reasonable for the City of Lockhart to cooperate with other similarly situated cities in conducting a review of the Company's application and to hire and direct legal counsel and consultants and to prepare a common response and to negotiate with the Company and direct any necessary litigation; and

WHEREAS, the Gas Utility Regulatory Act § 104.107 grants local regulatory authorities the right to suspend the effective date of proposed rate changes for ninety (90) days; and

WHEREAS, TGS has filed an application with the Railroad Commission, that could become the docket into which appeals of city action on the TGS filing are consolidated; and

WHEREAS, the Gas Utility Regulatory Act § 103.022 provides that costs incurred by cities in ratemaking activities are to be reimbursed by the regulated utility.

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

SECTION 1. That the August 19, 2025, effective date of the rate request submitted by TGS on or about June 30, 2025, be suspended for the maximum period allowed by law to permit adequate time to review the proposed changes and to establish reasonable rates.

SECTION 2. That the City is authorized to cooperate with other cities in the TGS service area to hire and direct legal counsel and consultants, negotiate with the Company, make recommendations to the City regarding reasonable rates and to direct any necessary administrative proceedings or court litigation associated with an appeal of a rate ordinance and the rate case filed with the City or Railroad Commission.

SECTION 3. That, subject to the right to terminate employment at any time, the City of Lockhart hereby authorizes the hiring of the law firm of Lloyd Gosselink Rochelle & Townsend, P.C. and consultants to represent the City in all matters associated with the TGS application to increase rates and appeals thereof.

SECTION 4. That intervention at the Railroad Commission in the docket that the application is filed under is authorized.

SECTION 5. That the City's reasonable rate case expenses shall be reimbursed by the Company.

SECTION 6. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

SECTION 7. A copy of this Resolution shall be sent to TGS representatives Judy Hitchye, Texas Gas Service Company, Barton Skyway IV, 1301 S. Mopac, Suite 400, Austin, Texas 78746 (Judy.Hitchye@onegas.com), and to Thomas Brocato at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (tbrocato@lglawfirm.com).

PASSED AND APPROVED this 15th day of July, 2025.

Lew White

Mayor, City of Lockhart

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney

**REGULAR MEETING
LOCKHART CITY COUNCIL**

JULY 16, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
David Fowler, Planning Director
Travis Hughes, Parks Director

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Will Wachel of TRC

Citizens/Visitors Addressing the Council: Dana Platt and David Marsh of CARTS; Chance Parks of Freese and Nichols; Will Wachel of TRC; and Jim Gallegos, Citizen.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. PRESENTATION AND DISCUSSION REGARDING THE INTERLOCAL AGREEMENT (ILA) WITH CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) FOR FISCAL YEAR 2024-2025.

Mr. Resendez stated that on June 20, 2024, David Marsh, CARTS General Manager, submitted a funding request letter to staff for the City's Fiscal Year 2024-2025 budget for City Council consideration. CARTS is requesting \$40,000 to be approved by City Council for the upcoming fiscal year. Previously, City Council approved an Interlocal Agreement with CARTS in August 2023 to include a \$20,000 contribution for Fiscal Year 2023-2024. In 2022, CARTS introduced the CARTS Now service. The added costs for this type of service requires a higher level of funding.

Dana Platt and David Marsh provided information and there was discussion regarding CARTS' transportation services provided in the City of Lockhart.

B. PRESENTATION FROM FREESE AND NICHOLS INC, UPDATING THE PROGRESS OF COMPREHENSIVE PLAN DEVELOPMENT INCLUDING PRODUCTION OF DRAFT CHAPTERS, ACTIVITIES OF THE COMPREHENSIVE PLAN STEERING COMMITTEE, PUBLIC OUTREACH, AND REMAINING STEPS PRIOR TO COMPLETION.

Mr. Fowler stated that this will be Comprehensive Plan consultant Freese and Nichols' final briefing to City Council prior to the presentation of a final draft to the Planning and Zoning Commission and City Council. The most recent draft chapters produced have been Economics, Transportation, Infrastructure and Implementation. City staff has provided the full draft plan text to the City Council members.

Chance Parks of Freese and Nichols provided information and there was discussion regarding the following:

- Project schedule
- Community engagement
- Why we do Comprehensive Planning
- Engagement Themes
- What does “Responsible Growth” mean in Lockhart
- Document contents of Lockhart’s proposed Comprehensive Plan
- Community Snapshot
- Land Use and Development
- Growth Capacity Study
- Complete communities
- Transportation and Mobility
- Economic Development
- Public Facilities and Infrastructure
- Facility and Utility needs
- Implementation and using the plan

C. DISCUSSION REGARDING THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR CALDWELL COUNTY APPRAISAL DISTRICT (CCAD).

Mr. Resendez stated that on June 18, 2024, Council received the Caldwell County Appraisal District's (CCAD) Proposed Appraisal and Collection Budgets for the year January 1, 2025, through December 31, 2025. The most notable increases are a new position in the appraisal budget, technology upgrades, and increases in printing for legal notices. The Caldwell County Appraisal District's Board of Directors must approve the CCAD budget by September 15, 2024.

D. DISCUSSION REGARDING RESOLUTION 2024-17 REGARDING A PETITION BY DAVID ACEVEDO, EDUARDO ACEVEDO, VIRGINIA VILLAREAL AND MARGARITA BRITT TO ADD THE ENTIRETY OF A 498.778-ACRE PROPERTY IN THE JOHN A. NEILL SURVEY, ABSTRACT 20, LOCATED WEST AND SOUTH OF SEAWILLOW ROAD APPROXIMATELY 1,600 FEET EAST OF FM 1322 INTO THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF LOCKHART.

Mr. Fowler stated that this resolution is to accept the petition to add the entirety of the property that is the site of the Seawillow Ranch development, located to the east of the City Limits, south and west of Seawillow Road and east of FM 1322. If the petition is accepted, the City's current ETJ will expand by approximately 88 acres. The petition for the remainder of the land to be added to the ETJ is a result of negotiations between the City and Red Oak Development to bring all the land within the planned development into the City's ETJ prior to the eventual annexation of the entire development area. As part of the development agreement approved June 18, 2024, the applicant was required to submit a petition to add the portion of their property not currently within the Lockhart ETJ to the City's ETJ. The attached petition meets that requirement. The petition is the first step towards annexing the remaining portions of the Seawillow Ranch property into the City Limits.

E. DISCUSSION REGARDING RECOMMENDATION TO AWARD BID TO S-CO INCORPORATED OF JEWETT, TEXAS IN THE AMOUNT OF \$317,326 FOR THE INSTALLATION AND FURNISHING OF RESIDENTIAL WATER METERS RELATED TO THE 2021 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (TXCDBG) CONTRACT NO. CDV21-0093.

Mr. Kelley stated that in late 2020, the City Council authorized the submission of a TxCDBG grant application for the replacement of residential water meters. Grant Development Services thereafter submitted the application for the grant in the amount of \$350,000. Projects selected for the grant must have a city-wide impact and the meter location for the project are located throughout the water distribution system. On January 6, 2023, the City was informed that Lockhart was awarded the grant that will replace 954 residential weather meters, approximately one quarter of the aging water meters in the system. Bids for the meter replacement grant were sought in compliance with State Law. Five (5) bids were received on June 6th, ranging from \$260,307.50 to a high of \$342,000.00. The lowest bidder, HydroPro Solution, recently notified the City that they would like to withdraw their bid because they could not perform the project based on the base bid submitted. Consequently, it is recommended that the project be awarded to the second-lowest bidder, S-CO Incorporated, in the amount of \$317,326.00. If approved, the next step will be to hold a pre-construction meeting with the contractor to coordinate the replacement of the residential meters. There was discussion.

F. DISCUSSION REGARDING RECOMMENDATION TO AWARD BID TO DENUCCI CONSTRUCTION, LLC OF AUSTIN, TEXAS IN THE AMOUNT OF \$10,829,910 FOR THE DOWNTOWN REVITALIZATION PROJECT AND AUTHORIZING THE MAYOR TO SIGN THE CONTRACTUAL DOCUMENTS.

Mr. Kelley stated that the Downtown Revitalization Project focuses on the nine-block centered around the historic Caldwell County Courthouse. The originating reasoning behind the upgrades was to improve aging water/wastewater infrastructure, address drainage issues and the resurfacing of the downtown streets. Additional scopes of work were previously discussed and added to the project to enhance the overall project esthetics. These include but are not limited to:

- Lighting and electric upgrades
- North and South Main Street road reconstruction
- Integrating building downspouts
- Sidewalk improvements for portions of the project limits
- Adding all-way stops at intersections
- Improving pedestrian safety with bulb-outs and pedestrian refuges
- Landscaping design, improvements and irrigation

Special consideration and coordination was incorporated in the contract to minimize disruptions to businesses, residents and special events that were within the project limitations. Along with individualized meetings with businesses and property owners, the engineering team met with the County stakeholders and governing agencies to integrate recommendations into the project.

Bids for the Downtown Revitalization Project were sought in compliance with State law. Five (5) sealed bids were received on May 9th, ranging from \$10,829,910 to \$12,824,393. The lowest qualified bidder was DeNucci Construction, LLC of Austin, Texas in the amount of \$10,829,910. Reference checks of the contractor have come back complementary and the company has a reputation of completing complex construction jobs. Therefore, it is recommended that the Downtown Revitalization Project be awarded to DeNucci Construction, LLC.

Will Wachel of TRC provided information about the following:

- Overall Project Scope
- Bids received (ranging from \$10,829,910 to \$12,824,393)
- Project cost estimate (\$9,590,000)
- Scope discussion

- Scope modifications
- Scope discussion results
- Schedule
- Next Steps

G. DISCUSSION REGARDING RECOMMENDATION TO APPROVE CHANGE ORDER NO. 1 FOR THE DOWNTOWN REVITALIZATION PROJECT, REDUCING THE SCOPE OF WORK FOR THE PROJECT IN THE AMOUNT OF \$651,735 TO A TOTAL CONTRACT AMOUNT OF \$10,178,175 AND AUTHORIZING THE CITY MANAGER TO SIGN, IF APPROVED.

Previously, on September 16, 2023, City Council was presented a refined estimate of probable cost for the Downtown Revitalization Project in the amount of \$9,586,616. After receiving bids for the project, the price received was higher than anticipated. The City Engineer was tasked with reviewing each unit price to identify any potential saving that would bring the overall costs closer to the estimated budget. As a result of the review, the City Engineer negotiated potential cost savings by reducing the scope of work while maintaining the project's intended outcome. Reductions to the scope include:

- Reducing utility replacements in alleyways
- Modifying various landscaping elements and associated irrigation
- Reduction in pedestrian lighting
- Focusing on paving and curb bulb-out within the nine-block project perimeter
- Removing pavers at crosswalks

Mayor White stated that Change Order #1 reduces the total contract amount by \$651,735.00, bringing the total contract amount for the project to \$10,178,175.00. The new contract amount is still higher than anticipated, but removing more items from the scope could impact the overall result expected from a project of this magnitude.

H. DISCUSSION REGARDING RECOMMENDATIONS FOR AN AQUATICS FACILITY SITE FROM THE LOCKHART PARKS AND RECREATION ADVISORY BOARD.

Mr. Hughes stated that on November 21, 2023, City Council directed city staff to evaluate at least three potential sites for the planned Aquatics Facility. City staff engaged Halff & Associates to perform an analysis of four potential sites. Four sites were ultimately analyzed. City staff, in concurrence with the Citizen Aquatics Committee and the Parks Advisory Board, reviewed all information provided for each site and determined that **Site #3** was the most appropriate location for the planned Aquatics Facility.

Site #1 is owned by the City and is approximately 6 acres, located on Carver Street. It is within City Park and is bisected by a road that connects City Park with Carver Street. It is the current location of a soccer field (east side of road) and a softball field (west side of road).

This site has access to utilities and is currently zoned Public and Institutional Use. In the Lockhart 2020 Land Use Plan, this property is identified as 'Parks Open Space' so an aquatics facility would fit the land use plan. There is no existing site drainage or detention. This would need to be included in any new development and would optimally be located on the southwest corner of the property.

This site would be an adequate location based on the information gathered. The property is already owned by the City, is adjacent to other City sports facilities, and has access from existing collector roads. However, the site is smaller than the others and would present challenges for expansion, such as the proposed future Recreation Center.

Site #2 is owned by Lockhart ISD and is approximately 10 acres, located on the North side of the Lockhart Jr. High and adjacent to the Jason La Fleur Soccer Complex. A portion of the property contains the

school's golf driving range.

This site has access to utilities and is also currently zoned Public and Institutional Use and is in congruence with the Lockhart 2020 Land Use Plan. There is no existing site drainage or detention, however there is an adjacent "regional" detention pond that may be able to accommodate detention needs.

This site would also be an adequate location based on the information gathered. It is large enough to accommodate future expansion, is adjacent to other City sports facilities, and is adjacent to the Jr. High School; a potential user of the facility. However, the property would need to be acquired from Lockhart ISD, improvements would need to be made to provide access from Maple Street and/or City Line Road, and there are several earthen spoil mounds on the property that need consideration. Additionally, the property is on the west edge of the City and may not be a convenient site for some City residents.

Site #3 is owned by Lockhart ISD and is approximately 20 acres, located on the Northeast side of the intersection of San Jacinto Blvd and Center Street. It is bound on the North by Clearfork Elementary School and on the West by Navarro Elementary School.

This site has access to utilities and has sidewalks, curbs, and gutters. It is zoned Public and Institutional Use and is in congruence with the Lockhart 2020 Land Use Plan. The land is currently vacant and flat, with the potential to have driveway access from both adjacent streets. There is no existing drainage and detention and would need to be included in the site development.

This site would be a good location based on the information gathered. It is larger than needed, so a smaller parcel would need to be carved out and acquired from Lockhart ISD. The property has excellent street access and is surrounded by residential zones, next to two elementary schools, and near Lockhart High School; all potential users of the facility.

Site #4 is privately owned and is approximately 34 acres, located on the South side of State Park Road (Hwy 20) and directly across the street from the Lockhart High School football stadium. A portion of the property, approximately 10 acres on the Northwest side of the tract, would need to be acquired from the owner.

This site is undeveloped land and has access to utilities. The property is currently zoned Residential High Density and would need to be rezoned. It is also not in accordance with the Lockhart 2020 Land Use Plan which identifies it as 'Mixed Retail, Office, Residential'. This site has no existing site drainage or detention and would need to be included in the site development.

This site would be an adequate location based on the information gathered. The property is large enough to accommodate future expansion and property frontage is accessible from a major arterial. However, frontage is on a TxDOT road that will need coordination and permitting for driveway access. There are also existing overhead high voltage power lines running through the north portion of the property, and a future planned collector road following the power lines path that need to be considered when designing driveway access.

RECOMMENDATION: City staff, in concurrence with the Citizen Aquatics Committee and the Parks Advisory Board, reviewed all information provided for each site and determined that **Site #3** was the most appropriate location for the planned Aquatics Facility and potential future Recreation Center. The primary considerations for selection are:

- Central Location
- Accessibility
- Property Size
- Proximity to Residential Areas
- Proximity to multiple LISD Campuses

In addition, the Lockhart ISD is very interested in partnering with the City in this endeavor to develop opportunities for Lockhart Students that may include a competitive swimming program, as well as Learn-to-Swim and Water Safety programs for elementary age students. If this site is approved by City Council, an interlocal agreement between both parties could be reached to provide for shared use of the facility and its operational costs.

I. DISCUSSION REGARDING RESOLUTION 2024-18 AUTHORIZING APPLICATION TO THE TEXAS PARKS AND WILDLIFE LOCAL PARK GRANT PROGRAM FOR AQUATICS FACILITY CONSTRUCTION FUNDING.

Mr. Hughes stated that a Texas Parks & Wildlife Grant for the Local Park Grant Program was identified as a potential funding source (\$750,000) for the planned Aquatics Facility. The Program provides 50% matching grants on a reimbursement basis to eligible applicants. All grant assisted sites must be dedicated as parkland in perpetuity, properly maintained and open to the public. Eligible applicants include political subdivisions of the State of Texas legally responsible for providing public recreation services to their citizens.

RECESS: Mayor White announced that the Council would recess for a break at 8:00 p.m.

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 8:15 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE.

Mayor White gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

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

ITEM 4-A. HOLD A PUBLIC HEARING REGARDING APPLICATION ZC-24-04, BY CHARLOTTE HODGES OF CARLSON, BRIGANCE & DOERING, INC. ON BEHALF OF CERULEAN DOG INVESTMENTS AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2024-15 FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO RHD RESIDENTIAL HIGH DENSITY DISTRICT ON A TOTAL OF 8.6442 ACRES IN THE CORNELIUS CRENSHAW SURVEY, ABSTRACT NO. 68, LOCATED AT 351 CITY LINE ROAD.

Mayor White opened the public hearing at 8:20 p.m. and requested the staff background report.

Mr. Fowler stated that the applicant requests to change the zoning from AO to RHD for a property located immediately south of the Centerpoint Meadows subdivision. The property has frontage on both City Line Road and Cesar Chavez Parkway/SH 130. The property was designated Medium Density Residential in the 2020 Lockhart Comprehensive Plan. At the present time, there is no site plan or rendering for the proposed project. The applicant has stated that he anticipates applying for an SUP for the MF-2 Multifamily 2 development type, which would allow between 12-24 residential units per acre on the site. No letters of opposition have been received from the surrounding properties notified of the public hearing. There was discussion.

Mayor White requested the applicant to address the Council.

Jim Gallegos, Lakeway, Texas, stated that he would like to build approximately 200 residential properties that he hopes would recruit individuals/families that are looking to live in a smaller apartment complex.

Mayor White requested citizens to address the Council regarding the zoning change. There were none. He closed the public hearing at 8:47 p.m.

There was discussion.

Councilmember Mendoza made a motion to approve the Planning & Zoning Commission's recommendation to approve the rezoning to RMD; Ordinance 2024-15. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 5-A. APPROVE ORDINANCE 2024-16 AMENDING SECTION 52-62 OF THE CITY OF LOCKHART CODE OF ORDINANCES TO REVISE A REFERENCE TO ANOTHER SECTION OF THE SAME CHAPTER.

Mr. Fowler stated that the proposed amendment to Chapter 52, the subdivision ordinance, is being proposed to correct language found in Section 52-62 that includes a reference to Section 52-57, relating to the requirement of plats to contain rights-of-way or easements to accommodate essential public facilities or services. This reference is in error as it refers to a section that is listed in the range of sections that are reserved for future use and does not contain any text. Planning staff has identified Section 52-61 as the section that is intended to be referenced, and has written the ordinance to correct the reference. The Planning and Zoning Commission unanimously recommended approval.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-16, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 5-B. APPROVE MINUTES OF THE OCTOBER 17, 2023 AND OCTOBER 19, 2023 MEETINGS.

Councilmember Michelson made a motion to approve the minutes. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR CALDWELL COUNTY APPRAISAL DISTRICT (CCAD).

Councilmember Westmoreland made a motion to approve the CCAD budget, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-17 REGARDING A PETITION BY DAVID ACEVEDO, EDUARDO ACEVEDO, VIRGINIA VILLAREAL AND MARGARITA BRITT TO ADD THE ENTIRETY OF A 498.778-ACRE PROPERTY IN THE JOHN A. NEILL SURVEY, ABSTRACT 20, LOCATED WEST AND SOUTH OF SEAWILLOW ROAD APPROXIMATELY 1,600 FEET EAST OF FM 1322 INTO THE EXTRATERRITORIAL JURISDICTION (ETJ) OF THE CITY OF LOCKHART.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2024-17, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO AWARD BID TO S-CO INCORPORATED OF JEWETT, TEXAS IN THE AMOUNT OF \$317,326.00 FOR THE INSTALLATION AND FURNISHING OF RESIDENTIAL WATER METERS RELATED

TO THE 2021 TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT (TXCDBG) CONTRACT NO. CDV21-0093.

Mayor Pro-Tem Sanchez made a motion to approve awarding the bid to S-Co Incorporated, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO AWARD BID TO DENUCCI CONSTRUCTION, LLC OF AUSTIN, TEXAS IN THE AMOUNT OF \$10,829,910 FOR THE DOWNTOWN REVITALIZATION PROJECT AND AUTHORIZING THE MAYOR TO SIGN THE CONTRACTUAL DOCUMENTS.

Mayor Pro-Tem Sanchez made a motion to approve awarding the bid to Denucci Construction, LLC, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING RECOMMENDATION TO APPROVE CHANGE ORDER NO. 1 FOR THE DOWNTOWN REVITALIZATION PROJECT, REDUCING THE SCOPE OF WORK FOR THE PROJECT IN THE AMOUNT OF \$651,735 TO A TOTAL CONTRACT AMOUNT OF \$10,178,175 AND AUTHORIZING THE CITY MANAGER TO SIGN, IF APPROVED.

Mayor White requested that the water and sewer projects for this project to remain on the forefront of upcoming budgets.

Councilmember Lairsen made a motion to approve Change Order No. 1, as presented. Councilmember Mendoza seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION TO CONSIDER RECOMMENDATIONS FOR AN AQUATICS FACILITY SITE FROM THE LOCKHART PARKS AND RECREATION ADVISORY BOARD.

Councilmember Westmoreland made a motion to approve the recommendation of Site #3, as presented during the work session, for an Aquatics Facility Site. Councilmember Michelson seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 6-G. DISCUSS AND CONSIDER ACTION REGARDING RESOLUTION 2024-18 AUTHORIZING APPLICATION TO THE TEXAS PARKS AND WILDLIFE LOCAL PARK GRANT PROGRAM FOR AQUATICS FACILITY CONSTRUCTION FUNDING.

Councilmember Michelson made a motion to approve Resolution 2024-18, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

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

- Update on the Caldwell County Capital Improvement Plan; public involvement; Lockhart Area Projects; financing.
- Rise Broadband construction activity.
- New Public Information Officer selected, scheduled to start July 24th.
- Update regarding the US 183 Overpass landscaping project.
- July 23 – FY 24-25 Budget Workshop; Capital Improvements Projects.
- July 24 – FY 24-25 Budget Workshop; ESD No. 5 Transition.
- Courthouse Nights will be held July 19, 2024.

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

Mayor Pro-Tem Sanchez thanked all involved with the successful 4th of July event. She expressed condolences to families that have lost a loved one. She invited everyone to the free backpack event at the Lions Club on Saturday. Pet spay and neuter clinic will be held this weekend.

Councilmember Castillo thanked staff for meeting with him to discuss budget and issues.

Mayor White thanked all involved with the success 4th of July event. He thanked all involved with the Downtown Revitalization Program.

ITEM 9. EXECUTIVE SESSION – IN ACCORDANCE WITH TEXAS GOVERNMENT CODE, SECTION 551.001, ET SEQ., THE CITY COUNCIL WILL RECESS INTO EXECUTIVE SESSION (CLOSED MEETING) TO DISCUSS THE FOLLOWING:

- A. Sec. 551.071 and Sec. 551.089: Private consultation with its attorney to seek advice about pending or contemplated litigation, settlement offer, or legal matters subject to attorney client privilege; and Security assessments or deployments relating to information resources technology, network security as described by Sec. 2059.055(b), or the deployment, or specific occasions for implementation of security personnel, critical infrastructure, or security devices – Relating to an audit of City financial institution access security.
- B. Sec. 551.071 and Sec. 551.074 - Private consultation with its attorney to seek advice about pending or contemplated litigation, settlement offer, or legal matters subject to attorney client privilege; and to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee – Finance Director.

Mayor White announced that the Council would enter Executive Session at 9:23 p.m.

ITEM 10. RECONVENE INTO OPEN SESSION - IN ACCORDANCE WITH THE TEXAS GOVERNMENT CODE, SEC. 551.001, ET SEQ., THE CITY COUNCIL WILL RECONVENE INTO OPEN SESSION TO CONSIDER ACTION, IF ANY, ON MATTERS DISCUSSED IN EXECUTIVE SESSION.

Mayor White announced that the Council would enter Open Session at 9:50 p.m.

There was no action taken.

ITEM 11. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 9:51 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

**SPECIAL MEETING/
BUDGET WORKSHOP
LOCKHART CITY COUNCIL**

JULY 23, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Julie Bowermon, City Secretary
Bob Leos, Electric Superintendent
Keeli Michna, Finance Director
Will Wachel, TRC Engineering

Joseph Resendez, Assistant City Manager
Sean Kelley, Public Works Director
Travis Hughes, Parks Director
Nikole Lockart, Animal Services Supervisor

Citizens/Visitors Addressing the Council: Will Wachel of TRC Engineering

ITEM 1. CALL TO ORDER.

Mayor Lew White called the meeting to order at 6:30 p.m.

ITEM 2-A. PRESENTATION AND DISCUSSION OF THE CITY MANAGER'S WORKING BUDGET FOR FISCAL YEAR 2024-2025, INCLUDING BUT NOT LIMITED TO, CAPITAL IMPROVEMENT PROJECTS.

Mr. Resendez and department heads provided information and there was discussion regarding the following:

Electric Distribution

- Electric distribution System Study Project 7 includes engineering and design for rehabilitation to replace old copper power lines on the East side of Lockhart.
- Electric System Study Project 5C includes electric pole replacement on the North side of Lockhart.
- Electric System Study Project 6 includes replacing electric poles on Clearfork Street and surrounding streets.

Water/Wastewater (WWW)

- Finalizing WWW Master Plan.
- Painting interior and exterior of the San Jacinto elevated storage tower.
- Replacement of the 18 inch – 24 inch wastewater main along the north side of the railroad tracks
- Improvements at the wastewater lift station on Tank Street.
- Water main replacement project from San Jacinto Street to Bois D'arc Street to commence prior to consideration of repaving.
- Downtown Revitalization Project - water main replacement on North Church Street and sewer main replacement on Market Street.

Street Improvements

- Street resurfacing projects for several streets throughout the city.

Public Works

- Update the Construction Standards.
- Capital Improvements Projects
 - o Corridor Study on West San Antonio Street.
 - o Improvements on Mockingbird Lane and Borchert Drive.
 - o City Line Road, Old Fentress Road, San Antonio Street improvements.
 - o Highway 142 from 130 to Highway 80 – engineering and environmental study.
 - o Highway 142 from Borchert to Windsor – engineering and environmental study.
 - o FM 20 at Highway 183 – engineering and environmental study.

Airport

- Resurfacing the airport taxiway.
- Matching funds for a TxDOT grant to upgrade the office building, fencing, lighting and several other maintenance projects.

Projects not included in the City Manager’s Fiscal Year 2024-2025 proposed budget but discussed for consideration if funding is feasible:

- Drainage improvements on Medina Street near FM 20 and Walter Ellison.
- Extend stormwater drainage at Hunters Point.
- Replace aged water main on Prairie Lea Street between Cibilo and Rio Grande.
- Aspects involved to install new resource water lines.
- Wastewater pump replacement at the Airport.
- Water main replacement on Elm Street.

Will Wachel of TRC Engineering provided details and there was discussion about the proposed water/wastewater master plan.

Parks

- Parks improvements at Lions Park and City Park.
- Improvements at the sports complexes.
- Begin first phase of new aquatics facility.
- Lions Park – first phase improvements.
- Wayfinding signs – gateway to North entrance to Lockhart, Highway 142, Highway 183 South entrance and 130 South entrance at Maple Street.
- Improvements at the Little League Baseball field.
- Installation of new lights at the youth soccer field.

City Facilities

- Fire Station #1 remodel.
- City Hall renovations.
- Library exterior/interior painting.
- Improvements at the Lockhart Animal Shelter.

There was discussion regarding proposed certificates of obligation funds payments (approximately \$8Million), if the Council chooses to proceed.

There was discussion regarding the current utility, transportation infrastructure, water, and wastewater rates.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 8:26 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**SPECIAL MEETING/
BUDGET WORKSHOP
LOCKHART CITY COUNCIL**

JULY 24, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Julie Bowermon, City Secretary
Keeli Michna, Finance Director

Joseph Resendez, Assistant City Manager
Sean Charles, EMS Director
Tatiana Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: EMS Boardmember

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 6:30 p.m.

ITEM 2-A. PRESENTATION AND DISCUSSION OF THE CITY MANAGER'S WORKING BUDGET FOR FISCAL YEAR 2024-2025, INCLUDING BUT NOT LIMITED TO, THE TRANSITION FROM LOCKHART EMS TO THE CALDWELL COUNTY EMERGENCY SERVICES DISTRICT (ESD) NO. 5.

Mr. Resendez and Sean Charles presented information and there was discussion regarding the following:

EMS

- Staff has allocated four months of operating revenues and expenditures.
- Transition to the ESD No. 5 is anticipated in January 2025.

EMS transition to ESD No. 5

- Personnel – add another shift of 12 employees is anticipated in 2026 which will double or possibly triple the employees required for EMS services.
- Add an Associate Medical Director.
- Protocol training for paramedics.
- Provider license.
- Obtain drug enforcement agency license to allow staff to manage controlled substances.
- Contract billing and collections to an outside agency.
- ESD No. 5 signed a letter of intent to provide two ambulances.
- Anticipate adding one ambulance to house at FM 1185 by January 2025.
- Lockhart EMS Director will take over managing EMS personnel in Luling.
- Discussion regarding the paramedic hiring process when the ESD No. 5 is implemented.
- Staff currently working on a Transfer of Assets and Liability Agreement prior to implementing ESD No. 5.
- Lockhart EMS working on implementing a whole blood program.

After discussion, the Council requested an update about the transition to the ESD No. 5 prior to implementation.

EMS Board, thanked Mr. Charles for his leadership.

ITEM 3. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded. The motion passed by a vote of 7-0. The meeting was adjourned at 7:04 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 6, 2024

6:30 P.M.

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

Council present:

Councilmember John Castillo
Councilmember Juan Mendoza
Councilmember Jeffry Michelson

Mayor Lew White
Councilmember Brad Westmoreland
Councilmember John Lairsen
Mayor Pro-Tem Angie Gonzales-Sanchez

Staff present:

Steve Lewis, City Manager
Joseph Resendez, Assistant City Manager
David Fowler, Planning Director
Holly Malish, Economic Development Director

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Tatianna Salazar

Citizens/Visitors Addressing the Council: Citizens: Keith Johnson, Winn Smith, Rebecca Allen, Roberta Arispe, Alexander Volinter, Sonya Gonzales Villalobos, Michael Lewis, Loren Simpson, Catrina Voellinger, Taylor Burge, Mike Siegel, Elle Cross, Charles Cloutman, Roland Dozier, Robert Sale, Sam Benavides, Len Gabbay, Cheryl Dozier; and, Jason Eeds of the Guadalupe-Blanco River Authority.

Work Session 6:30 p.m.

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

DISCUSSION ONLY

A. PRESENTATION OF PROCLAMATION DECLARING AUGUST 4 - 10, 2024 AS NATIONAL HEALTH CENTER WEEK.

Mayor White presented the proclamation to health care providers in the community.

EXECUTIVE SESSION

Mayor White announced that the Council would enter Executive Session at 6:38 p.m. in accordance with Texas Government Code, Section 551.071, private consultation with its attorney to seek legal advice about pending or contemplated litigation, settlement offer, or legal matter subject to attorney-client privilege. Discussion will be about agenda item B as listed below:

B. DISCUSSION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

RECONVENE TO OPEN SESSION

Mayor White announced that the Council would reconvene to Open Session at 7:02 p.m.

Brad Bullock, City Attorney, provided information about the Charter amendment process for the City of Lockhart. A single proposition option has been prepared for the public's review.

Mayor White announced that the Council would vote on the proposition language during the regular meeting.

RECESS: Mayor White announced that the Council would recess for a break at 7:07 p.m.

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 7:30 p.m.

ITEM 2. INVOCATION, PLEDGE OF ALLEGIANCE,

Mayor White gave the Invocation and led the Pledge of Allegiance to the United States and Texas flags.

ITEM 3. PUBLIC COMMENT.

Mayor White requested citizens to address the Council on an issue that is not on the agenda.

Keith Johnson, Century Oaks Drive, expressed concern about poor drainage in the neighborhood. He stated that he has requested that the City address the drainage issue yet there has been no response.

ITEM 4-A. HOLD A PUBLIC HEARING ON APPLICATIONS ZC-24-05 AND PDD 24-03 BY WINN SMITH ON BEHALF OF MAINSPRINGS, LLC AND DISCUSSION AND/OR ACTION ON ORDINANCE 2024-17 FOR A ZONING CHANGE FROM PDD PLANNED DEVELOPMENT DISTRICT TO A REVISED PDD PLANNED DEVELOPMENT DISTRICT ON 1.778 ACRES LOCATED AT 416 NORTH CHURCH STREET, CONSISTING OF BLOCK 1, LOT 1 OF THE MAIN SPRINGS SUBDIVISION.

Mayor White opened the public hearing at 7:31 p.m. and requested the staff background report.

Mr. Fowler stated that the proposed Planned Development proposes to change the uses on the undeveloped portion of the Main Springs development, which is also known as the Leona, a vacation rental community. The proposal is to revise the existing PDD to change from the combination of townhouses, retail, and live/work units south of the creek bisecting the site to a new mix additional rental units, a retail building, and a mixed retail and vacation rentals building, and a special events lawn that will be built around two levels of concrete surfaces that remain from the site's previous use as a concrete plant. A swimming pool is also planned to be provided. The proposed change will bring the total vacation rental units on the site to 17, while eliminating the six townhouses and three apartments that were included in the original PDD. As in the existing version of the PDD, head-in street parking will be provided along Church Street and a driveway will connect Church Street to North Main Street. Six parking spaces will also be provided internal to the site. At the request of City staff, a sidewalk has been added to connect the site to West Pecan Street.

Mayor White requested the applicant to address the Council.

Winn Smith, Austin, Texas, provided details about the proposed development. There was discussion.

Mayor White requested citizens to address the Council regarding the zoning change.

Rebecca Allen, 515 Wichita, requested that an environmental assessment be conducted in reference to the existing animals living on undeveloped property, such as lizards. Mr. Smith replied that a required environmental assessment was conducted pertaining only to floods.

Roberta Arispe, Monte Vista Drive, expressed concern about parking and about possible contamination to the creek with chemicals such as lawn fertilizer. She also expressed concern about noise with the vacation rental venue. She stated that she would prefer the property to be developed as residential homes.

Alexander Volinter, Austin, questioned if the vacation rental use abides by the future land use plan.

Mayor White requested additional citizens to address the Council. There were none. He closed the public hearing at 8:15 p.m.

Councilmember Lairsen made a motion to approve Ordinance 2024-17 and PDD 24-03, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 4-B. HOLD A PUBLIC HEARING AND DISCUSSION AND/OR ACTION ON ORDINANCE 2024-18 AMENDING CHAPTER 64 "ZONING" OF THE LOCKHART CODE OF ORDINANCES, APPENDIX II, "SPECIFIC REQUIREMENTS FOR COMMERCIAL DISTRICTS" TO ADJUST THE MAXIMUM HEIGHT WITHIN THE CHB COMMERCIAL HEAVY BUSINESS DISTRICT AND TO ADD A REQUIRED PARKING MINIMUM FOR THE "HOTEL" USED WITHIN THE CHB COMMERCIAL HEAVY BUSINESS DISTRICT.

Mayor White opened the public hearing at 8:15 p.m. and requested the staff background report.

Mr. Fowler stated that the proposed text amendment is for the purpose of adjusting the maximum height for hotels in the CHB zoning district in order to facilitate the development of hotels in that district. The height limit for buildings in CHB is three stories and 40 feet. This height is too low to allow most modern hotel models, which are typically four-story designs, to be built by right. Additionally, the text amendment established a parking minimum based on spaces per room rather than per square foot, as the City's square footage-based requirement result in required parking much higher than what other cities require for hotels. Together, the suggested revisions will make it more feasible to build contemporary hotel designs in the only zoning district in which hotels are allowed by right. There was discussion.

Mayor White requested citizens to address the Council regarding the zoning text amendment. There were none. He closed the public hearing at 8:25 p.m.

Councilmember Lairsen made a motion to approve Ordinance 2024-18, as presented. Councilmember Michelson seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

Mr. Bullock stated that as a home rule municipality, amendments to the City's Charter are governed by Texas Local Government Code Chapter 9. When the City receives a proposed charter amendment that is supported by a petition signed by at least five percent (5%) of the qualified voters of the City or 20,000 qualified voters, whichever number is less, the City Council legally is required to order an election for the purpose of voting on the proposed charter amendment. The duty of the members of the City Council to order such an election when the requirements are met is a ministerial one and an election must be ordered. This does not reflect a policy endorsement or support of the measure being presented, but rather only reflects the Council's duty to follow established state law, to order the election. The language of a

ballot proposition is the responsibility of the authority ordering the election, not the responsibility of the party petitioning for an election to be called.

Mayor White requested citizens to address the Council.

Rebecca Allen, 515 Wichita Street, thanked the city for supporting community events to assist homeless individuals. She also suggested different language for the proposition.

Roberta Arispe, Lockhart, stated that she believes that the group that presented the charter amendment are not from Lockhart. She also stated that she believes that decriminalizing marijuana would increase crime and recommended that the proposition language be changed.

Sonya Gonzales Villalobos, Martindale, Texas, stated that she believes that the proposition language should be the same as presented on the petition that was presented to the City Secretary.

Michael Lewis, San Jacinto Street, spoke against the proposition language and requested that it be amended to be easy to read and understand.

Loren Simpson, Lago Vista, Texas, with Texas Cannabis Collective, stated that the proposition is being presented to many cities for the voters to decide on the issue. She suggested that the language for the proposition be simple and easy to understand.

Catrina Voellinger, with Ground Game Texas, requested that the proposition language be simple for the voters to understand what they are voting for.

Taylor Burge, 406 South Church, Lockhart, stated that many members of the community want to vote on the proposed proposition. She suggested that the language be changed so that voters can understand what they are voting about.

Mike Siegel, General Counsel of Ground Game Texas, stated that he is representing the voters that signed the petition. He stated that the Council's duties are: First: the ministerial duty to present the proposition with the language as presented on the petition to the City Secretary. Second, the ballot language is not allowed to confuse the voters. He stated that he believes that the ballot language that is presented by the Council is illegal because it confuses the voters.

Elle Cross, petition organizer, requested that the measure be presented to the voters in a clear and one sentence matter. She stated that the language on the petition should go on the ballot as a single measure as it was presented to the voters on the petition.

Charles Cloutman, Foxglove Drive, stated that he expected the Council to put the proposition on the ballot in simple language.

Roland Dozier, Maple Street, spoke against the proposed language for the proposition. He requested that the proposition language be simple for the voters to understand.

Robert Sale, FM 1185, stated that the proposed proposition language is too confusing. He requested that the language be less confusing and simple for the voters to understand.

Sam Benavides, Mano Amiga, requested that the proposed proposition language be shorter and less confusing.

Len Gabbay, 420 West Prairie Lea, suggested that the proposition ballot language be shorter and simple for voters to read and understand.

Cheryl Dozier, Maple Street, spoke against the perception of voter suppression by the Lockhart City Council/City of Lockhart. She suggested that the proposition language be simpler rather than what is currently being considered for the ballot language.

Mayor White closed the public comment section.

Councilmember Castillo made a motion that the proposed proposition language read as follows: “Shall the Charter of the City of Lockhart be amended to add a new Article 12 entitled Lockhart Freedom Act and adopting new policies that limit city enforcement of misdemeanor marijuana possession offenses.” (There was no second vote to the motion)

Councilmember Lairsen stated that he agreed that the language should be simpler.

Mr. Bullock read the Texas Supreme Court ruling that provides that the failing to adequately describe the amendment to the Charter could void an election. Laws to change an Ordinance are different than changing a Charter. The ballot shall be prepared so that a voter may approve or disapprove any one or more amendments without having to approve or disapprove all of the amendments. The definition of a single subject shall be determined by the governing body. He suggested that the proposition language at least include the heading of each section of the proposed Chapter 12.

There was discussion.

Mr. Bullock requested time to review and consider revisions to the proposition language prior to Council voting on the Ordinance ordering the Election during the regular meeting.

RECESS: Mayor White announced that the Council would recess for a break at 9:29 p.m.

RECONVENE MEETING: Mayor White announced that the Council would reconvene the meeting at 9:35 p.m.

ITEM 6-B. DISCUSS AND CONSIDER THE PROPOSED FISCAL YEAR 2024-2025 BUDGET FOR GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) TO OPERATE THE LOCKHART WATER AND WASTEWATER TREATMENT PLANTS.

Mr. Kelley stated that on June 18, 2024, Council received the proposed annual operating budget from GBRA and heard a presentation regarding the operations and maintenance of the Lockhart Water and Wastewater Treatment Plants. City staff requested more time at that meeting so that staff could thoroughly examine the proposed budgets. The most notable changes were the potential decrease in wastewater revenue at WWTP due to another local wastewater plant coming online mid-year with the ability to receive waste from septic haulers and impacts to the budget related to the Carrizo Groundwater Supply Project due to changes in quantities received from each source. GBRA's fiscal year runs from September 1st through August 31st each year. If approved, GBRA's proposed budgets for Fiscal Year 2024-2025 will be incorporated into the City of Lockhart's Proposed Annual Budget for Fiscal Year 2024-25.

Jason Eeds of GBRA provided details about the GBRA's budgets.

Councilmember Michelson made a motion to approve the GBRA's Fiscal Year 2024-2025 budgets, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-19 ACCEPTING A PETITION FOR AND CALLING A PUBLIC HEARING ON THE ADVISABILITY OF PUBLIC IMPROVEMENTS AND CREATION OF THE SEAWILLOW PUBLIC IMPROVEMENT DISTRICT PURSUANT TO CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE.

Mr. Lewis stated that as Council recalls, the City previously approved the Seawillow Development Agreement, which provides that the City will take steps to authorize the creation of a public improvement district ("PID"), created pursuant to Chapter 372 of the Texas Local Government Code. Chapter 372 sets forth the steps necessary to establish the creation of a PID, and this resolution is one of the first required steps. The purpose of a PID is to allow development to pay for itself and reimburse a developer for funding certain approved costs related to infrastructure and similar items that benefit the new development. This resolution is required to be approved so that the PID may continue in the creation process and thereafter be formed and an assessment may be levied against the development for the eventual reimbursement of approved costs. The proposed Resolution 2024-19 accepts the petition submitted by the developer for the PID, calls for a public hearing (required by law) and makes findings that its creation is advisable. A second resolution authorizing the creation of the PID will be presented to Council for consideration at a future meeting after publication of the required public hearing notices. The public hearing is scheduled for September 3, 2024 at 7:30 p.m. in Council Chambers.

Mayor Pro-Tem Sanchez made a motion to approve Resolution 2024-19, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-19 DENYING WEST TEXAS GAS (WTG) UTILITY, LLC'S REQUEST TO CHANGE RATES IN THE CITY AS PART OF THE COMPANY'S STATEWIDE GAS UTILITY SYSTEM AND REQUIRING A PROMPT REIMBURSEMENT OF COSTS INCURRED BY THE CITY PURSUANT TO CHAPTERS 102 AND 103 OF THE TEXAS UTILITIES CODE.

Mr. Lewis stated that on July 16, 2024, West Texas Gas Utility, LLC filed with the City a Statement of Intent to change gas rates in all municipalities within the company's statewide gas utility system effective August 20, 2024. This ordinance denies West Texas Gas Utility's request. Pursuant to the Texas Utilities Code, the City has exclusive jurisdiction to evaluate the company's Statement of Intent as it pertains to the distribution facilities located within the City. The Code also provides that costs included by the City in ratemaking activities are to be reimbursed by the regulated utility.

Councilmember Michelson made a motion to approve Ordinance 2024-19, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-E. PRESENTATION OF THE CITY OF LOCKHART'S FISCAL YEAR (FY) 2024-2025 PROPOSED BUDGET AND CONSIDER APPROVAL OF THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION'S BUDGET FOR FY 2024-2025, AND SET TWO PUBLIC HEARINGS ON THE FY 2024-2025 CITY OF LOCKHART PROPOSED BUDGET.

Mr. Resendez stated that according to the City of Lockhart Charter, Article 9, Section 9.07, Public Hearing on Budget, the City Council shall hold a public hearing on the budget submitted and all interested persons shall be given an opportunity to be heard for or against any item or the amount of any item therein

contained. According to the Lockhart Economic Development Corporation's bylaws, Article 4, Section 3 Annual Corporate Budget, the President shall submit the budget to the City Council for approval prior to submittal to the Board for final adoption. The City of Lockhart is required by Charter to hold one public hearing on the budget. Staff recommends conducting two public hearings to allow the citizens of Lockhart the opportunity to discuss any item or amount presented in the proposed FY 2024-2025 Budget. The following dates are presented to the Council for public hearings:

- August 20, 2024 at 7:30 p.m.
- September 3, 2024 at 7:30 p.m.

To be held in the Council Chambers located at the Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas. The City of Lockhart and the Lockhart Economic Development budget for FY 2024-2025 can be located on the City's website and hard copies are located in City Hall and the City Library.

Mr. Resendez provided details about the proposed City of Lockhart budget.

Ms. Malish provided details about the proposed Lockhart Economic Development budget.

Mayor Pro-Tem Sanchez made a motion to approve the Lockhart Economic Development budget for Fiscal Year 2024-2025, as presented and to set public hearing dates of the City of Lockhart's proposed Fiscal Year 2024-2025 budget on August 20, 2024 and September 3, 2024 at 7:30 p.m. in the Council Chambers, Clark Library Annex - 217 South Main Street, 3rd floor, Lockhart, Texas. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING SETTING THE 2024 COMBINED MAINTENANCE AND OPERATIONS AND INTEREST AND SINKING PROPOSED PROPERTY TAX RATE OF THE CITY OF LOCKHART.

Mr. Resendez stated that the action taken by the City Council is required by the State of Texas in adherence with the Truth-In-Taxation laws. If the proposed tax rate exceeds either the No New Revenue (NNR) rate or Voter Approval Rate (VAR), a record vote must be taken to place a proposal to adopt the rate on the agenda for a future Council meeting. If the motion passes, the Council must schedule and announce the date, time, and location of one (1) public hearing regarding the proposed tax rate set by the Council. As directed by Council, the aforementioned public hearing is scheduled on September 3, 2024, at 7:30 p.m. in the Council Chambers located in the Clark Library Annex - Council Chambers, 217 South Main Street, 3rd floor, Lockhart, Texas. Senate Bill 2 has limited the percentage increase from No New Revenue to Voter Approval Rate by 3.5% but has added a new unused incremental rate adjustment. The 2024 Voter Approval Rate (VAR), as prepared by the Caldwell County Appraisal District, is 0.5093/\$100 assessed valuation. This rate includes the unused increment rate. He stated that a record vote is required. There was discussion.

Mayor White made a motion to set the City of Lockhart's current ad valorem tax rate at 50.93 cents which includes a debt rate of 10.26 cents and an M&O rate of 40.67 cents and authorize staff to place on the agenda for adoption by ordinance on September 3, 2024 at 7:30 p.m. in the Council Chambers located in the Clark Library Annex. Councilmember Lairsen seconded.

The roll call vote is as follows:

Mayor Lew White – yes
Councilmember Brad Westmoreland – yes
Councilmember Juan Mendoza – yes
Mayor Pro-Tem Angie Gonzales-Sanchez – yes
Councilmember John Lairsen – yes
Councilmember John Castillo – yes
Councilmember Jeffry Michelson – yes

The motion passed by a vote of 7-0.

ITEM 6-G. DISCUSS AND CONSIDER RESCHEDULING CITY COUNCIL MEETINGS IN 2024 DUE TO CONFLICTS WITH EVENTS.

Ms. Bowermon stated that annually reviewing council meeting dates for conflicts is important to provide Development Services with an accurate Council meeting schedule when publishing public notice information about public hearings, such as zoning change applications. On December 5, 2023, City Council reviewed meeting dates for 2024 and authorized the current meeting calendar. At that time, it was the consensus of the City Council to approve the calendar, which included a meeting on October 1st and November 5th, and address any conflicts on a case-by-case basis as needed in the future.

The calendar reflects meeting conflicts in 2024 as listed below:

- **October 1** – National Night Out
- **November 5** - Election Day - Although the City of Lockhart was not scheduled to hold an election on November 5, 2024, a petition for a proposed charter amendment has been submitted.

There was discussion.

Councilmember Westmoreland made a motion to reschedule the October 1 and November 5 meetings to the next Thursday (October 3 and November 7). Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-H. ANNOUNCEMENT OF NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Mayor White announced that the item would be placed on the next Council meeting agenda for a vote.

ITEM 5-A. APPROVE CITY COUNCIL MINUTES OF THE OCTOBER 23, 2023, OCTOBER 30, 2023, AND NOVEMBER 20, 2023 MEETINGS.

Councilmember Michelson made a motion to approve the minutes, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 5-B. APPROVE PIPELINE CROSSING AND ENCROACHMENT AGREEMENTS BETWEEN UNION PACIFIC RAILROAD (UPRR) AND THE CITY OF LOCKHART RELATED TO THE LOCKHART ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANT.

Councilmember Michelson made a motion to approve the Pipeline Crossing and Encroachment agreements with Union Pacific Railroad, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-20 ORDERING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 5, 2024 IN LOCKHART, TEXAS FOR THE PURPOSE OF VOTING ON PROPOSED CHARTER AMENDMENTS, PURSUANT TO CHAPTER 9 OF THE TEXAS LOCAL GOVERNMENT CODE AND ARTICLE XI, SECTION 5 OF THE TEXAS CONSTITUTION.

Mr. Bullock provided the Council with the revised language of the proposition. He stated that the language provides the header of each item and a few words describing what each header means and it puts the voters on notice about each item that is proposed to be voted on. Section 2 of Ordinance 2024-20 is recommended to be revised to include the revised language of the proposition.

Councilmember Castillo made a motion that the proposed proposition language be as follows:

“Shall the Charter of the City of Lockhart be amended to add a new Article 12 entitled Lockhart Freedom Act and adopting new policies that limit city enforcement of misdemeanor marijuana possession offenses.” Councilmember Mendoza seconded. The motion failed by a vote of 2-5, with Mayor White, Mayor Pro-Tem Sanchez and Councilmembers Westmoreland, Michelson and Lairsen opposing.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-20 with the revised proposition language to Section 2, as presented by the City Attorney. Councilmember Lairsen seconded. The motion passed by a vote of 6-1, with Councilmember Castillo opposing.

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

- Update regarding the creation of the City’s Homelessness Outreach Team.
- Update regarding Austin Community College (ACC): Annexation Election for Lockhart Independent School District territory.
- Movies in the Park – Saturday, August 10th.
- School starts August 20th: City Park swimming pool will remain open through August with modified hours of operation while lifeguards are available.

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

Councilmember Mendoza wished students good luck on a new school year. He encouraged everyone to be mindful of the school buses.

Mayor Pro-Tem Sanchez expressed condolences to families that have lost a loved one. She thanked all that have helped with school supplies and backpacks for students. She wished all students a good school year and she thanked teachers for their dedication.

Councilmember Lairsen wished students a good school year. He thanked citizens for voicing their opinions on city issues.

Councilmember Castillo thanked all involved with the 1923 filming in downtown Lockhart. He stated that box fans are still available at City Hall to needy senior citizens. He thanked city staff for their work. He thanked all involved with helping students have school supplies.

Councilmember Michelson thanked citizens for their input. He wished students and teachers a good school year.

Mayor White also wished students and teachers a good school year. He expressed get well prayers for a few students that are in bad health this year.

ITEM 9. ADJOURNMENT

Mayor Pro-Tem Sanchez made a motion to adjourn the meeting. Councilmember Mendoza seconded.
The motion passed by a vote of 7-0. The meeting was adjourned at 10:26 p.m.

PASSED and APPROVED this the 15th day of July, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding the proposed Fiscal Year 2025-2026 Budget for Guadalupe-Blanco River Authority (GBRA) for the Lockhart Water and Wastewater Treatment Plants.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Annually, representatives from GBRA present their proposed Water and Wastewater Budget for the upcoming fiscal year to City Council for the operations and maintenance of the Lockhart Water and Wastewater Treatment Plants.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): If Approved, the GBRA's Proposed Budgets for Fiscal Year 2025-2026 will be incorporated in the City of Lockhart's Proposed Annual Budget for Fiscal Year 2025-2026.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends acceptance of the GBRA Fiscal Year 2025-2026 Budgets for Water Treatment Plant and Wastewater Treatment Plants.

LIST OF SUPPORTING DOCUMENTS: 130 LOCKHART WWTP_1, 131 LOCKHART WTP



LOCKHART WASTEWATER RECLAMATION SYSTEM

WORK PLAN AND BUDGET

Fiscal Year Ending August 31, 2026

Submitted by Guadalupe-Blanco River Authority
per contractual obligation date of
July 1, 2025

Lockhart Division

Lockhart Wastewater Reclamation System

Operating Plan for Fiscal Year Ending 8/31/26

BACKGROUND

After signing a contract with the City of Lockhart in 1994, GBRA assumed the operation of the City's 1.1 million gallons per day (MGD) Larremore Street wastewater treatment plant. Subsequently in 1999, the new 1.5 MGD FM20 plant commenced operation increasing the City's combined wastewater treatment capacity to 2.6 MGD. The contract between the City of Lockhart and GBRA provides that GBRA will bill the City the actual cost of operating the two plants. As a result, revenue is matched to expenses and GBRA does not over-recover nor under-recover the cost of operating the System.

The System is operated by a Chief Operator and seven operators dividing their time between the Lockhart water and wastewater plants. Serving as facilitators to the team will be the Hays/Caldwell/Guadalupe Division Manager. Additional support will be received from the Seguin and New Braunfels offices in the form of engineering, electrical, purchasing, and administrative functions.

REVENUE SOURCES AND TRENDS

The following Work Plan and Budget is based on the two Lockhart Wastewater Treatment Plants treating an estimated sewage flow of 440.23 million gallons annually or 1.21 million gallons per day (MGD). For Fiscal Year 2026, the flow will be split with approximately 0.430 MGD treated by the Larremore Plant and 0.776 MGD treated by the FM 20 Plant. Revenue to treat this amount of waste has generally trended upward over the last several years coincident with increased flows to the plant and inflationary increases in plant operating costs. The budgeted FY 2026 total revenue for the Lockhart Wastewater System is \$1,994,162 which is \$357,089 or 21.8% more than last year's budget.

MAJOR OPERATING AND MAINTENANCE EXPENDITURES

The combined operating expenditure budget for FY 2026 amounts to \$1,994,162. Significant operating expenses budgeted for Fiscal Year 2026 include biosolids disposal in the amount of \$301,856, power and utilities of \$274,790, laboratory testing and expenses of \$77,714. Significant maintenance expenditures budgeted for Fiscal Year 2026 include the replacement of the Motor Control Centers at Larremore.

In order to meet public service needs through motivated employees, provide advanced training, and maintain and upgrade occupational licenses, personnel will attend courses provided by various approved sources. The approved sources for the courses are Texas Engineering Extension Service and Texas Water Utility Association. Plant personnel will also conduct in-house training in team building skills, confined space rescue, hazard communication, electrical safety and maintenance, first aid, and CPR. Other training will include computer software and personal development seminars.

There is a replacement truck in the amount of \$50,000 and a replacement ATV for \$11,000 budgeted for capital addition items for FY 2026.

FUND BALANCE

Funds for the above listed maintenance projects as well as all of the other operating expenditures that are summarized in the following pages will be provided from revenues from the City of Lockhart. Since this system represents a contract operation in which GBRA does not over-recover nor under-recover its costs, the net change in fund balance for FY 2026 is \$0.

**Guadalupe-Blanco River Authority
Work Plan & Budget
Fiscal Year Ending August 31, 2026**

**130 - Lockhart WWTP
Department ***

	FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
OPERATING BUDGET			
OPERATING REVENUES			
Wastewater Treatment			
41201 WW-OPR & MAINTENANCE	1,498,250	1,838,152	339,902
41202 WW-ADMINISTRATIVE & GENERAL	138,823	156,010	17,187
41207 WW-CREDIT TO CUSTOMER	(600,000)	(600,000)	-
Total Wastewater Treatment	1,037,073	1,394,162	357,089
Misc Income			
45195 MISCELLANEOUS REVENUES	600,000	600,000	-
Total Misc Income	600,000	600,000	-
Total Operating Revenue	1,637,073	1,994,162	357,089
OPERATING EXPENSES			
Salaries			
51101 LBR-REGULAR WAGES	402,817	451,635	48,818
51102 LBR-OVERTIME	17,857	21,121	3,264
Total Salaries	420,674	472,756	52,082
Benefits			
51298 BEN-BENEFIT ALLOCATION	170,373	191,466	21,093
Total Benefits	170,373	191,466	21,093
Operating Supplies & Services			
52101 OPR-POWER & UTILITIES	244,887	274,790	29,903
52102 OPR-AUXILIARY POWER EXPENSE	5,000	5,000	-
52103 OPR-CHEMICALS	53,203	54,566	1,363
52110 OPR-SMALL TOOLS AND SUPPLIES	3,500	4,000	500
52113 OPR-LAB SUPPLIES	18,157	22,273	4,116
52114 OPR-LABORATORY SERVICES-GBRA	39,956	43,951	3,995
52115 OPR-LABORATORY SERVICES-OUTSOURCED	10,124	11,490	1,366
52118 OPR-DISPOSAL SERVICES	294,256	301,856	7,600
52120 OPR-UNIFORMS/BUSINESS ATTIRE	5,720	6,750	1,030

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
52121	OPR-SAFETY & EMERGENCY EXPENSE	3,325	3,825	500
52122	OPR-SECURITY EXPENSE	2,000	-	(2,000)
52124	OPR-EQUIPMENT EXPENSE	5,600	6,700	1,100
52125	OPR-VEHICLE EXPENSE	5,795	5,570	(225)
52133	OPR-SCADA	1,700	1,700	-
	Total Operating Supplies & Services	693,223	742,471	49,248
	Professional Services and Fees			
52205	OPR-PROFESSIONAL SERVICES-OTHER	4,690	4,840	150
52216	OPR-REGULATORY FEES	22,000	22,000	-
52222	OPR-MEMBERSHIPS & PUBLICATIONS	700	700	-
52223	OPR-LICENSE & TRAINING	3,744	3,744	-
52224	OPR-TRAVEL & MEETINGS	2,500	6,000	3,500
	Total Professional Services and Fees	33,634	37,284	3,650
	Office Expenses			
52301	OPR-OFFICE SUPPLIES	4,400	4,400	-
52302	OPR-COMPUTER & SOFTWARE EXPENSE	9,550	14,020	4,470
52303	OPR-WIDE AREA NETWORK EXPENSE	3,200	10,020	6,820
52306	OPR-DATA & PHONE EXPENSE	800	8,928	8,128
52331	OPR-JANITORIAL SUPPLIES AND SERVICE	1,200	1,500	300
	Total Office Expenses	19,150	38,868	19,718
	Other Operating Expenses			
52420	OPR-INSURANCE EXPENSE	32,570	36,484	3,914
52430	OPR-MISC EXPENSE	200	200	-
	Total Other Operating Expenses	32,770	36,684	3,914
	SUBTOTAL OF OPERATIONAL EXPENSES	1,369,824	1,519,529	149,705
	Maintenance and Repair Equipment			
53101	M&R-EQUIPMENT	24,550	28,000	3,450
53110	M&R-CONTROL SYSTEMS	1,700	97,197	95,497
53115	M&R-METERS	1,500	1,500	-
	Total Maintenance and Repair Equipment	27,750	126,697	98,947
	Structures			
53201	M&R-BUILDING	3,426	16,176	12,750
53205	M&R-PUMPS AND MOTORS	36,750	10,000	(26,750)
53210	M&R-GATES AND VALVES	5,000	2,250	(2,750)
53220	M&R-CLARIFIERS	17,500	18,000	500
53237	M&R UV SYSTEM	20,000	60,000	40,000
	Total Structures	82,676	106,426	23,750
	Other Maintenance & Repairs			

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
53310	M&R-GROUNDS/ROW	13,500	13,500	-
53325	M&R-GENERAL MAINTENANCE	4,500	11,000	6,500
	Total Other Maintenance & Repairs	18,000	24,500	6,500
	SUBTOTAL OF M&R EXPENSES	128,426	257,623	129,197
	Administrative & General			
54100	ADMINISTRATIVE & GENERAL	138,823	156,010	17,187
	Total Administrative & General	138,823	156,010	17,187
	Capital Expenses			
55001	CUSTOMER-OWNED CAPITAL EXPENSE	-	61,000	61,000
	Total Capital Expenses	-	61,000	61,000
	TOTAL OPERATING AND M&R EXPENSES	1,637,073	1,994,162	357,089
	Net Operating Income	-	-	-
	Net Change in Fund Balance	-	-	-



LOCKHART WATER TREATMENT PLANT SYSTEM

WORK PLAN AND BUDGET

Fiscal Year Ending August 31, 2026

Submitted by Guadalupe-Blanco River Authority
per contractual obligation date of
July 1, 2025

Lockhart Division

Lockhart Water Treatment Plant System

Operating Plan for Fiscal Year ending 8/31/26

BACKGROUND

GBRA entered into a contract in September 2000 with the City of Lockhart to operate its wells and 4 million gallon per day (mgd) water treatment plant beginning October 1, 2000 in addition to the operation of two wastewater treatment facilities for the City. The System is operated by a Chief Operator and seven operators dividing their time between the Lockhart water and wastewater plants. Serving as facilitators to the Lockhart Operations team are the Division Manager-Hays/Caldwell/Guadalupe Counties. Additional support will be received from the Seguin and New Braunfels office in the form of engineering, electrical, purchasing and administrative functions.

REVENUE SOURCES AND TRENDS

GBRA provides the operation of the City's 4.0 million gallons per day (MGD) groundwater treatment plant and water wells. The contract provides that GBRA does not over-recover nor under-recover the costs of operating the System.

The following Work Plan and Budget is based on operating and maintaining the Lockhart Water Treatment Plant, booster station and seven water wells. The projected water production of the plant and seven wells for FY 2026 is 208.23MG or 0.57MGD. However, the total water needs for the City from all sources is estimated to be approximately 666.518MG. The differential or additional water required by the City of Lockhart will be supplied by the GBRA surface water treatment plant located in Luling and delivered through the Luling/Lockhart Treated Water Delivery System. Lockhart will also be receiving water from the Carrizo Water Treatment Plant located in Rosanky and delivered through the Alliance Project Delivery System. The budgeted FY 2026 operating revenue for the Lockhart Water Treatment Plant System is \$1,162,384 which is \$81,644 or 7.6% more than last year's budget and is based on a total estimated annual water treatment of 208,230,000 gallons or 208.23MG. As described in the previous paragraph, the Lockhart WTP System is a cost-of-service operation and any year-over-year change in revenue is in a direct relationship to the changes in operating expenditures and capital improvements, for that year.

MAJOR OPERATING AND MAINTENANCE EXPENDITURES

Due to the nature of the GBRA and City of Lockhart contract, the operating expenditure budget for FY 2026 replicates the revenue budget and therefore also amounts to \$1,162,384. Two of the major operating expenses for the ensuing fiscal year are power and chemicals. Chlorine, liquid ammonium sulfate (LAS), orthophosphate, and fluoride are the primary chemicals required at the water treatment plant in order to properly treat and maintain the water quality in accordance with Texas Commission on Environmental Quality (TCEQ) requirements. Chlorine and LAS are used together as a disinfectant for the water. Orthophosphate is used as a corrosion inhibitor and as such, protects the City's distribution system and assures the delivery of high-quality water. The total chemical budget for FY 2026 is \$73,857. Power will also be a major expense for the upcoming year amounting to \$53,152. The maintenance expenses include the replacement of the 14-inch piping entering the Water Plant's filters and the installation of Flow Meters on the discharge of the Water Plant's Transfer Pumps.

There is a replacement truck in the amount of \$50,000 and a replacement ATV for \$11,000 budgeted for capital addition items for FY 2026.

In order to meet public service needs through motivated employees, provide advanced training, and maintain and upgrade occupational licenses, personnel will attend courses provided by various approved sources. The approved sources for the courses are Texas Engineering Extension Service and Texas Water Utility Association. Plant personnel will also conduct in-house training in team building skills, confined space rescue, hazard communication, electrical safety and maintenance, first aid, and CPR. Other training will include computer software and personal development seminars.

FUND BALANCE

Funds for the above listed maintenance projects as well as all of the other operating expenditures that are summarized in the following pages will be provided from revenues from the City of Lockhart. Since this division represents a contract operation in which GBRA does not over-recover nor under-recover its costs, the net change in fund balance for FY 2026 is \$0.

**Guadalupe-Blanco River Authority
Work Plan & Budget
Fiscal Year Ending August 31, 2026**

**131 - Lockhart WTP
Department ***

	FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
OPERATING BUDGET			
OPERATING REVENUES			
Water Treatment			
41101 PLANT O&M	981,522	1,054,017	72,495
41102 PLANT A&G	99,218	108,367	9,149
Total Water Treatment	1,080,740	1,162,384	81,644
Total Operating Revenue	1,080,740	1,162,384	81,644
OPERATING EXPENSES			
Salaries			
51101 LBR-REGULAR WAGES	287,541	312,861	25,320
51102 LBR-OVERTIME	13,119	15,525	2,406
Total Salaries	300,660	328,386	27,726
Benefits			
51298 BEN-BENEFIT ALLOCATION	121,767	132,996	11,229
Total Benefits	121,767	132,996	11,229
Operating Supplies & Services			
52101 OPR-POWER & UTILITIES	64,000	53,152	(10,848)
52103 OPR-CHEMICALS	61,256	73,857	12,601
52110 OPR-SMALL TOOLS AND SUPPLIES	3,000	3,000	-
52113 OPR-LAB SUPPLIES	14,560	24,866	10,306
52114 OPR-LABORATORY SERVICES-GBRA	5,422	5,134	(288)
52115 OPR-LABORATORY SERVICES-OUTSOURCED	6,075	6,099	24
52120 OPR-UNIFORMS/BUSINESS ATTIRE	4,400	6,750	2,350
52121 OPR-SAFETY & EMERGENCY EXPENSE	1,685	2,060	375
52123 OPR-EQUIPMENT RENTAL	1,500	1,500	-
52124 OPR-EQUIPMENT EXPENSE	300	300	-
52125 OPR-VEHICLE EXPENSE	2,880	5,570	2,690
52133 OPR-SCADA	5,700	6,900	1,200
Total Operating Supplies & Services	170,778	189,188	18,410

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
Professional Services and Fees				
52205	OPR-PROFESSIONAL SERVICES-OTHER	5,425	5,455	30
52216	OPR-REGULATORY FEES	12,200	12,200	-
52222	OPR-MEMBERSHIPS & PUBLICATIONS	400	560	160
52223	OPR-LICENSE & TRAINING	3,379	3,944	565
52224	OPR-TRAVEL & MEETINGS	2,500	2,500	-
	Total Professional Services and Fees	23,904	24,659	755
Office Expenses				
52301	OPR-OFFICE SUPPLIES	750	750	-
52302	OPR-COMPUTER & SOFTWARE EXPENSE	7,900	13,150	5,250
52303	OPR-WIDE AREA NETWORK EXPENSE	3,200	4,320	1,120
52306	OPR-DATA & PHONE EXPENSE	4,300	9,611	5,311
52331	OPR-JANITORIAL SUPPLIES AND SERVICE	500	500	-
	Total Office Expenses	16,650	28,331	11,681
Other Operating Expenses				
52420	OPR-INSURANCE EXPENSE	22,263	25,879	3,616
52430	OPR-MISC EXPENSE	250	200	(50)
	Total Other Operating Expenses	22,513	26,079	3,566
	SUBTOTAL OF OPERATIONAL EXPENSES	656,272	729,639	73,367
Maintenance and Repair Equipment				
53101	M&R-EQUIPMENT	2,350	37,100	34,750
53110	M&R-CONTROL SYSTEMS	5,500	12,500	7,000
53115	M&R-METERS	13,400	17,500	4,100
	Total Maintenance and Repair Equipment	21,250	67,100	45,850
Structures				
53201	M&R-BUILDING	11,000	2,378	(8,622)
53205	M&R-PUMPS AND MOTORS	35,000	22,000	(13,000)
53210	M&R-GATES AND VALVES	42,500	3,900	(38,600)
53235	M&R-TRANSMISSION LINES	32,500	25,000	(7,500)
	Total Structures	121,000	53,278	(67,722)
Other Maintenance & Repairs				
53302	M&R-WELLS	125,000	125,000	-
53310	M&R-GROUNDS/ROW	13,500	13,500	-
53325	M&R-GENERAL MAINTENANCE	44,500	4,500	(40,000)
	Total Other Maintenance & Repairs	183,000	143,000	(40,000)
	SUBTOTAL OF M&R EXPENSES	325,250	263,378	(61,872)
Administrative & General				

		FY 2025 BUDGET	FY 2026 BUDGET	FY 2026-2025 DIFFERENCE
54100	ADMINISTRATIVE & GENERAL	<u>99,218</u>	<u>108,367</u>	<u>9,149</u>
	Total Administrative & General	<u>99,218</u>	<u>108,367</u>	<u>9,149</u>
	Capital Expenses			
55001	CUSTOMER-OWNED CAPITAL EXPENSE	<u>-</u>	<u>61,000</u>	<u>61,000</u>
	Total Capital Expenses	<u>-</u>	<u>61,000</u>	<u>61,000</u>
	TOTAL OPERATING AND M&R EXPENSES	<u>1,080,740</u>	<u>1,162,384</u>	<u>81,644</u>
	Net Operating Income	<u>-</u>	<u>-</u>	<u>-</u>
	Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding entering into a Memorandum of Understanding (MOU) between Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding participation in the WaterSECURE project.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Beginning in 2023, GBRA began preliminary engineering to determine new water supply options for a regional long-term water supply project. The results of the preliminary engineering is a future project named "WaterSECURE" comprised of a combination of raw and treated water based on existing GBRA owned run-of-the-river rights, when combined with river diversion facilities, off-channel reservoirs, aquifer storage and recovery, water treatment, delivery facilities, and integration of brackish and fresh groundwater. Since conception, GBRA has reached out to several entities to forecast future water supply needs based on year 2045 projected needs.

By 2045, the City of Lockhart's required water supply capacity needs could range from a low of 4.82 MGD (5,405 AF/yr) to a high of 7.03 MGD (7,880 AF/yr) if it experiences accelerated growth. The City is conservatively requesting project participation in the amount of 6.56 MGD (7,348 AF/yr) of treated water. This amount is based on the projected 2024 supply deficiency after adding the two water well upgrades found in the W/WW Master Plan. Preliminary information regarding the WaterSECURE project indicates that participation will be expensive as the regional project is estimated to cost approximately \$6 billion. However, the MOU is a non-binding document that will allow GBRA to further investigate costs per participant, specific needs and participation amounts of each entity.

Parties that enter the MOU will not be restricted from participating in similar activities as it relates to water. Staff will continue to evaluate additional development of the City's well field as a viable option to increase water supply capacities and bring forward information as it becomes available.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: July 17, 2024- Presentation on Lockhart's Water Supply & Potential Demand

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends entering into the non-binding MOU.

LIST OF SUPPORTING DOCUMENTS: MOU for WaterSECURE project participation - City of Lockhart, Lockhart's Water Needs WaterSECURE_2025-06-17

**MEMORANDUM OF UNDERSTANDING
BETWEEN
GUADALUPE-BLANCO RIVER AUTHORITY AND
CITY OF LOCKHART**

This Memorandum of Understanding (“MOU”) is made by and between the Guadalupe-Blanco River Authority (“GBRA”), a conservation and reclamation district and political subdivision of the State of Texas created pursuant to Article XVI, Section 59 of the Texas Constitution by special act of the Legislature, formerly compiled at Article 8280-106, Vernon’s Annotated Civil Statutes and City of Lockhart (“City”) pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code, to be effective on the date of the last signatory of this MOU (“Effective Date”). GBRA and City may be referred to herein individually as a “Party” or collectively as the “Parties”.

RECITALS

WHEREAS, GBRA is a conservation and reclamation district created under the authority of Article XVI, Section 59 of the Texas Constitution, consisting of that part of the State of Texas that is located within the boundaries of the Counties of Hays, Comal, Guadalupe, Caldwell, Gonzales, DeWitt, Victoria, Kendall, Refugio and Calhoun; and

WHEREAS, City is a home-rule municipality organized under the state laws of Texas; and

WHEREAS, GBRA currently provides wholesale raw and treated water to customers throughout its jurisdictional boundaries through the development of multiple regional projects and a project currently under construction; and

WHEREAS, GBRA is working with communities to develop additional water supplies to address growth, resiliency, and drought, and continues to actively collaborate with communities in GBRA’s jurisdictional boundaries to identify needs and implement regional water supply solutions for those communities (the “Participant Group”). Beginning in 2023, GBRA began to undertake preliminary engineering to determine new water supply options, projects, and combinations thereof that may meet the water needs of entities within the Participant Group. The resulting determination was that Participant Group members which are located in or south of Victoria County, Texas would receive raw water, while all other contracting Participant Group members would receive treated, potable water; and

WHEREAS, the results of the preliminary engineering determined that a combined raw and treated water project based on existing GBRA owned run-of-river water rights, when combined with new river diversion facilities, one or more off-channel reservoirs, aquifer storage and recovery, water treatment, delivery facilities, and integration of brackish and fresh groundwater (hereinafter collectively referred to as the “WaterSECURE Initiative” or “WaterSECURE”), is the best option

to meet a portion of the firm water needs of members of the Participant Group, as well as the firm, water needs of other entities, including City; and

WHEREAS, GBRA has provided preliminary costing information for the WaterSECURE Initiative to City.

AGREEMENT

For and in consideration of the mutual promises, obligations and benefits described in this MOU, the sufficiency of which is hereby acknowledged, GBRA and City agree as follows:

MOU SCOPE

1. **PURPOSE.** GBRA shall provide City the opportunity to participate in and receive water from the WaterSECURE Initiative that has available or uncommitted water supplies. GBRA will work with City to develop and execute treated water supply agreements and any other agreements that may be required to construct, expand, extend, and add infrastructure and deliver water to Participants, in the event that City decides to participate as a customer in the WaterSECURE Initiative. Participation in the WaterSECURE Initiative shall be based upon contract terms which are the same or substantially similar to those offered to other similarly situated participants.
2. **PROJECT PARTICIPATION.** City has identified that it desires to participate in the WaterSECURE Initiative at 7,348 acre-foot per year of treated water.
3. **COLLABORATION.** The Parties have and will continue to collaborate on and share water information that is focused on information currently available, as well as information about the Participant's projected short-term and long-term water demands, availability, supply needs, timing, and location to assist with the sizing of GBRA's WaterSECURE Initiative.
4. **OBJECTIVE.** The Parties agree that this MOU is intended to indicate City's specific water supply needs and a commitment by City to continue to collaborate with GBRA on the WaterSECURE Initiative. The identified Project Participation amount by the Participant is not binding and will be used only for project planning purposes. Any future water supply agreement that may be required to deliver water from the WaterSECURE Initiative to City will identify the rights, duties, and obligations of the Parties relating to the quantity of water to be produced if City decides to participate as a customer in the WaterSECURE Initiative. GBRA will develop such an agreement to participate in the WaterSECURE Initiative and plans to provide a draft agreement to City prior to September 1, 2025.

GENERAL PROVISIONS

5. **WORK PRODUCT OWNERSHIP.** The Parties shall retain ownership, right, title and interest in all written materials and information prepared, produced, and otherwise shared pursuant to this MOU.
6. **PARTICIPATION IN SIMILAR ACTIVITIES.** The Parties agree that this MOU shall not restrict either Party from participating in similar activities with other public or private agencies, organizations and individuals.
7. **DENIAL OF PARTNERSHIP.** The Parties are independent entities and are not agents, partners, joint venture participants or otherwise responsible for the acts, omission, or conduct of the other Party.
8. **APPLICABLE LAW.** The Parties agree that this MOU shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflict of law provisions.
9. **SEVERABILITY.** The Parties agree that whenever possible, each provision of this MOU shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision hereof shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this MOU.
10. **ENTIRE AGREEMENT.** The Parties agree that this MOU constitutes the entire agreement among and between the Parties relating to the WaterSECURE Initiative and supersedes any prior oral or written agreement among and between the Parties concerning the WaterSECURE Initiative.
11. **TERMINATION.** This MOU shall begin on the Effective Date and shall terminate upon the earlier of (1) April 30, 2026, or (2) the execution of a WaterSECURE Initiative Water Supply Agreement between GBRA and City, or (3) upon thirty (30) days following the prior written notice of termination provided by either Party.
12. **AMENDMENTS.** This MOU shall be subject to change or modification only with the mutual written consent of the governing bodies of each of the Parties.
13. **FORCE MAJEURE.** If for any reason of force majeure, either Party is rendered unable, wholly or in part, to carry out its obligations under this Agreement, then that Party shall give notice of the reasons in writing to the other Party within a reasonable time after the occurrence of the force majeure event. The obligation of the Party giving the notice, so far as it is affected by the force majeure, shall be suspended during the continuance of the

inability then claimed, but for no longer period. The term “force majeure” as used in this Agreement shall mean acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, order or actions of any kind of government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, pandemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accident to dams, machinery, pipelines, canals, or other structures, partial or entire failure of water supply including pollution (accidental or intentional), and any other cause not reasonably within the control of GBRA or Customer.

14. ASSIGNMENT. This MOU shall not be assignable by either Party without the prior written consent of the other Party.
15. THIRD PARTIES. This MOU shall be for the sole and exclusive benefit of the Parties and shall not be construed to confer any benefit or right upon any third party.
16. NOTICES. For the purposes of notice, the addresses of and the designated representative for receipt of notice for each of the Parties shall be as follows:

For GBRA:

Guadalupe-Blanco River Authority
Attn: General Manager/CEO
2225 E. Common Street
New Braunfels, TX 78130

For City:

City of Lockhart
Attn: Mayor
PO Box 239
Lockhart, TX 78644

Executed in duplicate originals on the dates shown below.

Guadalupe-Blanco River Authority

City of Lockhart

By: _____
Darrell Nichols, General Manager/CEO

By: _____
Lew White, Mayor

Date: _____

Date: _____

Lockhart's Water Supply & Potential Demand

June 17, 2025

TRCCOMPANIES.COM



AGENDA

- Current & Future Water Projections
- Further Development of the Well Field
- Aquifer Considerations
- WaterSECURE Water



Lockhart's Developments

City's Potential Development's as of 2025





Estimated Future Growth

Development	LUE's	Water Supply Demand (MGD)	Peak Water Supply Demand (MGD)**
City's Existing Demand (2025)*	6,842	4.87	7.79
Masonwood	543	0.39	0.62
Hillwood	3,749	2.67	4.27
Lay Ranch	366	0.26	0.42
Livengood	1,238	0.88	1.41
Riddle	715	0.51	0.81
Seawillow	2,676	1.91	3.05
Sendero	360	0.26	0.41
2039-2045 Estimated Growth (4.25%)	4,205	2.99	4.78
TOTALS FOR 2045	20,694	14.73	23.57

*The City's total connection count in the water system as of March 2025 was 6,315 connections. A conversion factor of 0.9225 was used to estimate the City's LUE's.

** A Peaking Factor of 1.6 was used to determine System's Peak Demand. Peak demands can be handled internally with City's water system rather than securing water for peak values.

- City current has seven (7) developments interested in Water Services
- Developments will be carried out in phases with estimated phasing between **2025-2039**
 - Cumulative LUE's from proposed developments will add 9,647 LUEs to the City's system
 - Average growth rate projected during phasing years is 7.39%
- Estimated growth from 2039-2045 determined based on 4.25% growth rate.



City's Capacity to Handle Growth

City's Water Supply	Capacity (MGD)
Luling-Lockhart Agreement	1.00
Carrizo Project Agreement	2.67
Existing Well Firm Capacity	3.43
Well Firm Capacity after 2024 W/WW Master Plan Improvements	4.50
Existing Total Supply	7.10
Total Supply after 2024 W/WW Master Plan Proposed Improvements (2 Water Well Upgrades)	8.17

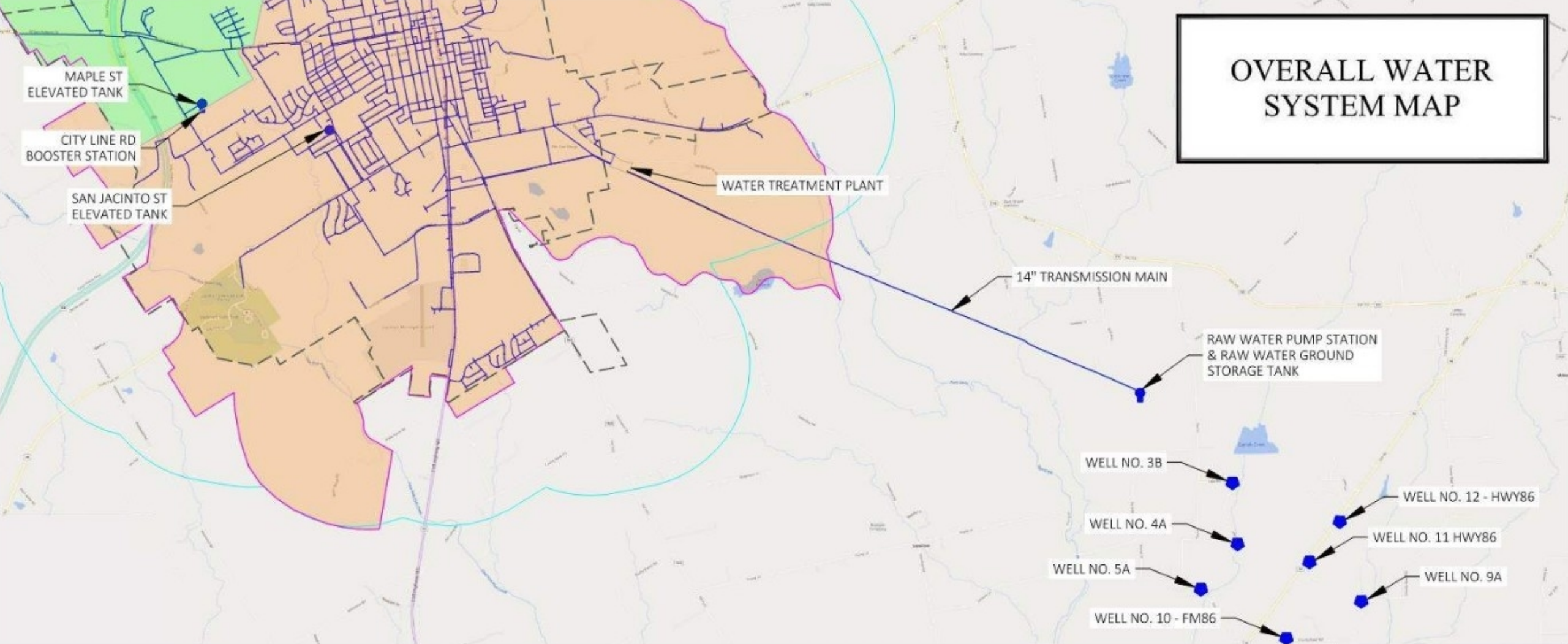
City's Water Supply	Capacity (MGD)	Projected 2045 Water Supply Deficiency (MGD)
Existing Total Supply	7.10	7.63
Total Supply after 2024 W/WW Master Plan Proposed Improvements (2 Water Well Upgrades)	8.17	6.56

*As shown on previous slide, the projected Water Demand by 2045 is estimated to be approx. 14.73 MGD

Lockhart's Well Field

City's Water Supply Infrastructure





Lockhart's Water Wells

- Seven Existing Wells
- Producing Wells Capacity: 4.33 MGD
- Raw Water Pump Station & Ground Storage
- 12", 14", 18" Transmission Mains (Approx. 7.5 miles)



Lockhart Water Wells

Well Improvements



Existing Capacity

Well No.	Capacity (gpm)	Capacity (MGD)
3	234	0.34
4	340	0.49
5	240	0.35
9	400	0.58
10	550	0.79
11	618	0.89
12	624	0.90
Total	3006	4.33
Firm	2382	3.43

After Master Plan Improvements

Well No.	Capacity (gpm)	Capacity (MGD)
3	234	0.34
9	400	0.58
10	550	0.79
11	618	0.89
12	624	0.90
4.B	764	1.10
5.B	701	1.01
Total	3,891	5.60
Firm	3,127	4.50

- Well No. 4 and 5 are reaching the 50-year lifespan
- Proposed wells will be constructed in 2032 and 2040

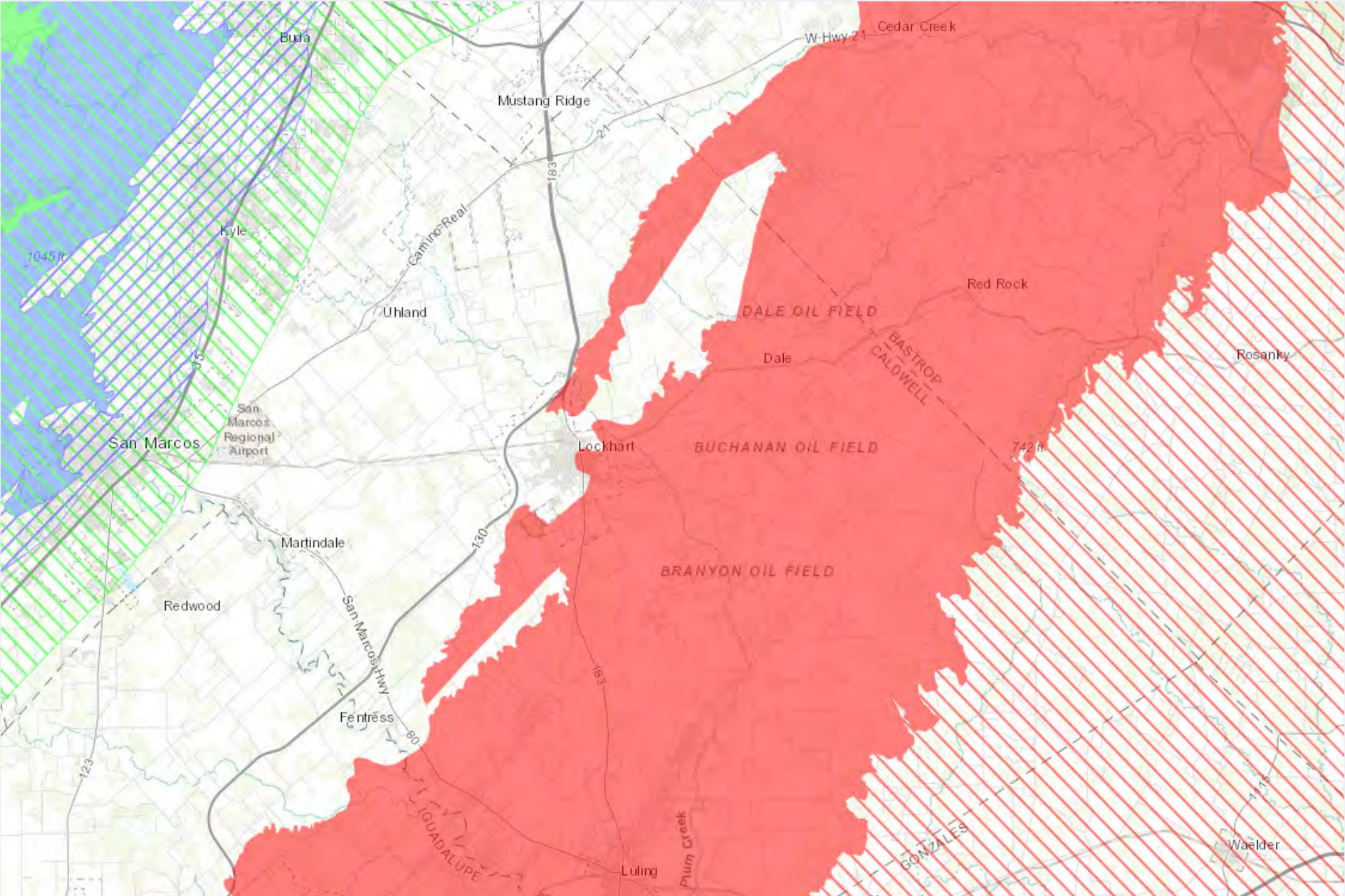


Aquifer Considerations

Lockhart's Primary Water Resource

- Carrizo-Wilcox Aquifer has been Lockhart water wells source for the past 60 years.
- Carrizo-Wilcox Aquifer is regulated by the Plum Creek Conservation District (PCCD)
- City will have to purchase or lease water rights for additional wells
 - ½ acre-ft per acre per year (113,000 gallons per acre per year)
 - Approx. 2,847 acres of water rights for well improvements
 - Acreage must be contiguous; ROWs not included
 - City could petition PCCD for variance on land requirement

Carrizo-Wilcox Aquifer



Additional Water Wells

Lockhart's Raw Water Infrastructure

- **Proposed Water Wells Estimate:**
 - Well No. 4.B (764 gpm): \$1,450,000
 - Well No. 5.B (701 gpm): \$1,400,000
- **Example: Two Current Wells (600 gpm)**
 - Well No.1: \$1,760,000
 - Well No.2: \$1,296,000

Transmission & Intake Structure

Lockhart's Raw Water Infrastructure

- **7.5-mile-long parallel transmission mains**
- Existing raw water pipelines can transport 5 MGD.
- **Example Cost for 7.5-mile Transmission Mains:**
 - 12-inch: \$13,500,000
 - 14-inch: \$14,850,000
 - 18-inch: \$16,335,000





Water Treatment Plant Upgrades

Treatment Infrastructure

- Existing Capacity of 5.7 MGD
- City will need to increase capacity of plant to handle additional raw water wells
- Estimated Range: \$5M to \$10M per MGD
- A detailed analysis of the plant's facilities will need to be performed.



WaterSECURE

Project by GBRA



TRCCOMPANIES.COM

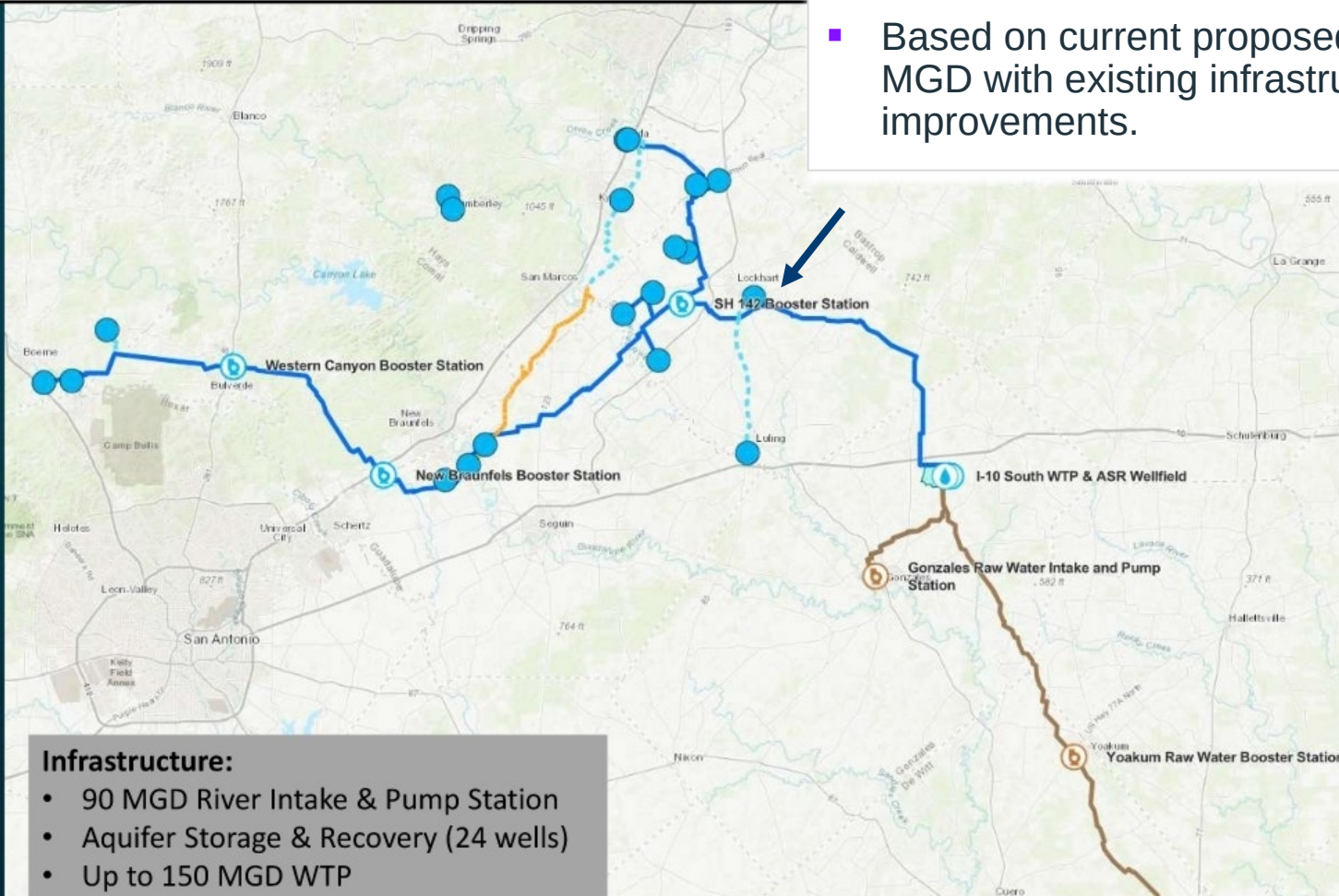


WaterSECURE

LOCKHART

- GBRA plans to bring 90 MGD of treated water to the surrounding areas.
- City will be paying for its portion of infrastructure to bring the water to the City.
- The City has previously requested 7 MGD of treated water.
- Based on current proposed developments, City would need 7.63 MGD with existing infrastructure or 6.56 MGD with Well improvements.

WaterSECURE Mid/Upper Basin Infrastructure

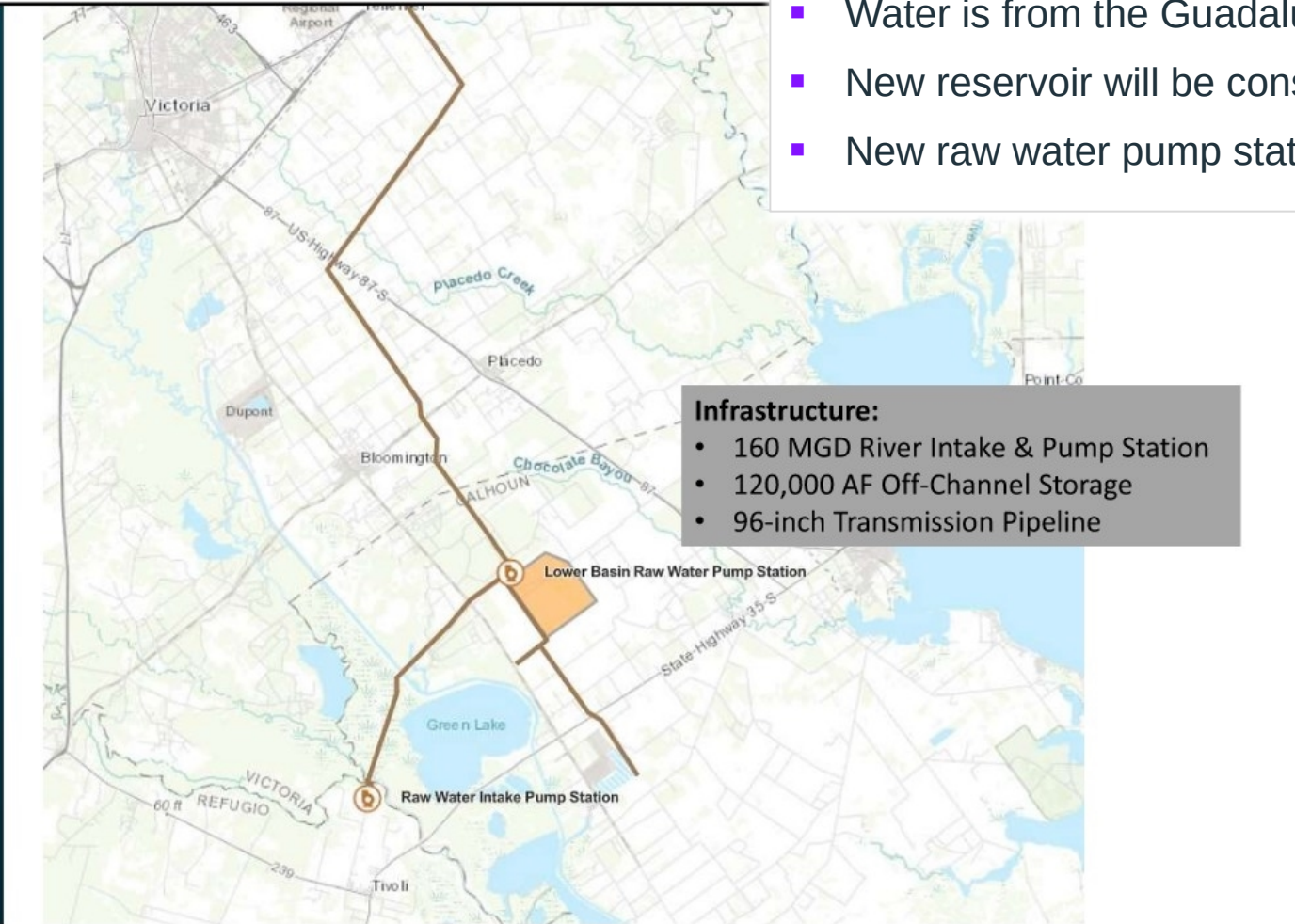


Infrastructure:

- 90 MGD River Intake & Pump Station
- Aquifer Storage & Recovery (24 wells)
- Up to 150 MGD WTP
- ~150 miles of Local Pipelines



WaterSECURE Lower Basin Infrastructure



- Water is from the Guadalupe River in Calhoun County.
- New reservoir will be constructed to store water from the river.
- New raw water pump station will be constructed.

WaterSECURE Infrastructure

Intake Location

Raw Water Pump Station, 96" Transmission Pipe, Treatment Plant



COST BREAKDOWN



WaterSECURE 7 MGD Cost Options

Payment Options Summary from Highest Total Cost to Lowest Total Cost					
Options	Total Cost	Payment Duration	Approx. Yearly Payments	Start Year	End Year
Scenario 2	\$1,267,000,000	37 years	\$36,605,000 for 32 years	2035	2071
Scenario 4	\$1,067,000,000	44 years	\$29,639,000 for 32 years	2028	2071
Scenario 1	\$1,009,000,000	27 years	\$40,996,000 for 22 years	2035	2061
Scenario 3	\$894,000,000	34 years	\$34,739,000 for 22 years	2028	2061
Raw Water Cost of 7 MGD (per year)			\$1,444,400		
Operation & Maintenance Cost of 7 MGD (per year)			\$7,065,000		

- Option 3 is the most cost effective.
- All cost begin declining the last five years of payments
- Both options beginning in 2028 have a 7-year ramp-up
- Both options beginning in 2035 start with consistent payments until 5-year ramp-down.

Breakdown



Additional Wells (7MGD)

- Well: \$10.7M (7 wells needed)
- New Transmission Line: \$14.8M
- Booster Pump Station: \$15M
- Ground Storage: \$6M
- Water Rights Acquisition: \$23M (15,693 acres)
- 20-ft Easement: \$0.24M
- Treatment Expansion: \$50M

TOTAL: \$119.74M (\$17.1M /MGD)*

*Cost does not include estimated yearly
O&M costs of \$2.50M

GBRA – WaterSECURE

- City's Share of Project Costs: \$1,059M

TOTAL: \$1,059M (\$151.28M /MGD)*

*Cost does not include yearly raw water
cost and O&M costs of \$8.51M

Thanks!

Feel free to contact the City or TRC's Office.



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City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Consider action to approve Resolution 2025-22, delaying action on an ordinance authorizing City of Lockhart, Texas combination tax and revenue certificates of obligation in an amount not to exceed \$20,000,000; and other matters related thereto.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: On May 20, 2025, City Council passed Resolution 2025-15 authorizing the publication of a notice of intent to issue Combination Tax and Revenue Certificates of Obligation in an amount not to exceed \$20,000,000. This notice stated the City Council tentatively proposed to authorize the issuance of the Certificates and hold a public hearing at its regular meeting to commence at 6:30 P.M. on July 15, 2025. Upon the advice of the City's Bond Counsel and Financial Advisor, City staff find it necessary to delay action on the ordinance authorizing the issuance of the Certificates until a regular meeting of the City Council to commence at 6:30 P.M. on August 5, 2025.

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: Approval of Resolution 2025-22.

LIST OF SUPPORTING DOCUMENTS: Resolution 2025-22

RESOLUTION NO. 2025-22

**RESOLUTION DELAYING ACTION ON AN ORDINANCE AUTHORIZING CITY OF
LOCKHART, TEXAS COMBINATION TAX AND LIMITED REVENUE
CERTIFICATES OF OBLIGATION IN AN AMOUNT NOT TO EXCEED \$20,000,000;
AND OTHER MATTERS RELATED THERETO**

THE STATE OF TEXAS
COUNTY OF CALDWELL
CITY OF LOCKHART

‘
‘
‘

WHEREAS, on May 20, 2025, the City Council of the City of Lockhart, Texas (the "City") passed a resolution authorizing the publication of a notice of intent (the "Notice Resolution") to issue City of Lockhart, Texas Combination Tax and Limited Revenue Certificates of Obligation in a maximum principal amount not to exceed \$20,000,000 (the "Certificates"); and

WHEREAS, the Notice Resolution stated that the City Council tentatively proposed to authorize the issuance of the Certificates and to hold a public hearing on the Certificates at its regular meeting of the City Council to commence at 6:30 p.m. on July 15, 2025; and

WHEREAS, upon the advice of the City's staff, the City finds it necessary to delay action on the ordinance authorizing the issuance of the Certificates until a regular meeting of the City Council to commence at 6:30 p.m. on August 5, 2025.

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

Section 1. Delaying Action. The City hereby delays action on the ordinance authorizing the issuance of the Certificates and the public hearing on the Certificates until a regular meeting of the City Council to commence at 6:30 p.m. on August 5, 2025 at its regular meeting place in the Clark Library Annex-Council Chambers, 217 South Main Street, 3rd Floor, Lockhart, Texas.

Section 2. Other Matters. This Resolution shall become effective immediately upon adoption. The Mayor and City Secretary are hereby authorized and directed to execute the certificate to which this Resolution is attached on behalf of the City and to do any and all things proper and necessary to carry out the intent of this Resolution.

PASSED AND APPROVED this 15th day of July, 2025.

Julie Bowermon, City Secretary

Lew White, Mayor

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding a request from Councilmember Castillo to initiate possible amendments to Chapter 64, Zoning, to prohibit manufactured housing in residential zoning districts.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Steven Lewis, David Fowler

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: City Councilmember John Castillo has requested an agenda item regarding the possibility of amending the zoning code to remove the current provisions through which manufactured housing can be permitted in the RHD residential High Density and RMD Residential Medium Density zoning districts.

City Council and the Planning and Zoning Commission could undertake this or any other proposed text amendment with the goal of ensuring the orderly development of the City. The public hearings before City Council and the Planning and Zoning Commission should consider changing circumstances in the City that make the proposed change necessary, and whether the proposed change is consistent with the City's Comprehensive Plan.

The specific change to Chapter 64 would be to remove manufactured homes from the list of uses allowed with an approved Specific Use Permit from the RMD and RHD zoning districts while also removing language in Section 64-200 that allows for the installation of a manufactured home on a lot not within a mobile home park. To keep the City's zoning ordinance with state case law, the Manufactured Home (MH) zoning district would remain in place, allowing for manufactured homes to remain in manufactured home parks with the appropriate zoning.

PROJECT SCHEDULE (if applicable): If City Council directs staff to prepare amendments to the zoning ordinance, the proposed amendments would likely be heard in public hearings at Planning and Zoning Commission in late July or early August and then return to City Council in August.

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: Planning and Zoning Commission would make a recommendation regarding proposed text changes if Council directs staff to research and draft amendments to Chapter 64.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Direct staff regarding initiating the process of amending Chapter 64, Zoning, to restrict manufactured housing in residential zoning districts.

LIST OF SUPPORTING DOCUMENTS: Manufactured Homes on Residential Lots

(e) Residential medium density district (RMD) (formerly R-2). This district provides medium population density areas within the city which allows for tracts with either single or multiple dwelling units, having a single principal structure with necessary accessory buildings for residential purposes and associated specific uses.

(1) Development types allowed in this district:

- a. Single-family-1, SF-1.
- b. Single-family-2, SF-2.
- c. Duplex family-1, DF-1.
- d. Patio home-1, PH-1.

(2) The following development types permitted within this district require a specific use permit:

- a. Townhouse-1, TH-1.
- b. Patio home-2, PH-2.
- c. Combined family-1, CF-1.
- d. Condominium-1, CM-1.
- e. Duplex family-2, DF-2.

(3) The following uses are allowed by-right:

- a. Dwellings of the development type allowed within this district.
- b. Home occupations.
- c. Accessory dwelling unit—Limited.
- d. Temporary real estate sales office in a structure intended for permanent occupancy as a dwelling in a new subdivision.

(4) The following uses require a specific use permit:

- a. Dwellings of the development type permitted within this district.
- b. Manufactured home, in accordance with the standards in subsection [64-200\(a\)](#) and subject to the requirements of appendix II for the MH district.
- c. Child care center, in detached structure only.
- d. All uses permitted in the public and institutional district.
- e. All uses permitted in the planned development district.
- f. Wireless telecommunication facility—Low impact, subject to the requirements of [section 64-202](#).
- g. Lodging or boarding house.
- h. Bed and breakfast inn.
- i. Accessory dwelling unit—General.

(f) Residential high density district (RHD) (formerly R-3). This district provides high population density areas within the city which allow for tracts with either single or multiple dwelling units, with either single or multiple principal structures with necessary accessory buildings for residential purposes and associated specific uses.

(1) Development types allowed within this district:

- a. Single-family-1, SF-1.
- b. Single-family-2, SF-2.
- c. Duplex family-1, DF-1.
- d. Duplex family-2, DF-2.
- e. Patio home-1, PH-1.
- f. Patio home-2, PH-2.
- g. Combined family-1, CF-1.
- h. Townhouse-1, TH-1.
- i. Condominium-1, CM-1.
- j. Multifamily-1, MF-1.

(2) The following development types permitted within this district require a specific use permit:

- a. Combined family-2, CF-2.
- b. Townhouse-2, TH-2.
- c. Condominium-2, CM-2.
- d. Multifamily-2, MF-2.

(3) The following uses are allowed by-right:

- a. Dwellings of the development type allowed within this district.
- b. Home occupations, except in MF-2.
- c. Lodging or boarding house.
- d. Bed and breakfast inn.
- e. Accessory dwelling unit—Limited.
- f. Accessory dwelling unit—General.
- g. Temporary real estate sales office in a structure intended for permanent occupancy as a dwelling in a new subdivision.

(4) The following uses require a specific use permit:

- a. Dwellings of the development type permitted within this district.
- b. Manufactured home, in accordance with the standards in subsection [64-200\(a\)](#) and subject to the requirements of appendix II for the MH district.
- c. Child care center, in detached structure only.
- d. All uses permitted in the public and institutional district.
- e. All uses permitted in the planned development district.
- f. Wireless telecommunication facility—Low impact, subject to the requirements of [section 64-202](#).

Sec. 64-200. - Same—Manufactured homes and modular dwellings.

(a) The installation of a manufactured home on an individual residential lot not within a manufactured home park shall comply with the following standards, except as noted. An existing nonconforming mobile or manufactured home be replaced in the same location with a manufactured home, as defined in [section 64-2](#), not complying with one or more of the following standards if such replacement home is a newer model, is at least as large as the prior manufactured home, and as a minimum complies with subsections (3), (4), (6), (7), and (8), below. This exception does not require approval of a specific use permit, but may be used only once at the same location unless the reason for replacement is damage caused by fire or natural disaster.

(1) The home shall be a new HUD-Code manufactured home not previously installed or occupied in any other location.

(2) Except where limited by the width of lots pre-existing on [effective date of adoption], the widest horizontal dimension of manufactured homes must face the street.

(3) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.

(4) Axle and hitch assemblies shall be removed at the time of placement on the foundation.

(5) The finished floor of the manufactured home shall be no more than 25 inches above the average adjacent ground level at the foundation on all sides visible from an abutting street, or from a lot containing a site-built single-family dwelling, except where the floor must be higher in order to be a minimum of 12 inches above the top of the highest abutting street curb or street crown if no curb. If necessary to maintain a minimum of 18 inches required for clearance between the ground and bottom of floor joists, the foundation may be recessed in a pit that is provided with a proper drainage system approved by a registered professional engineer, or by raising the grade of the earth in the yards where needed adjacent to the structure.

(6) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.

(7) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home if a concrete foundation does not already enclose that space.

(8) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.

(9) The owner shall cancel the personal property title on the manufactured home so that it can be rendered as real property for the purpose of ownership, taxes, insurance and financing.

(10) The land and structure shall be under the same ownership.

(b) The installation of a manufactured home on a leased space in a manufactured home park shall comply with the following standards:

(1) The frame shall be supported by and tied to a foundation and anchoring system meeting the current requirements of the Texas Manufactured Housing Standards Act as administered by the Texas Department of Housing and Community Affairs, Manufactured Housing Division, or successor agency.

(2) A stoop, porch, patio or deck must be provided at each entrance to the manufactured home.

(3) The space between ground level and the manufactured home's floor level shall be skirted with nondegradable materials compatible in color, style and texture with the exterior of the home.

(4) Site-built attached additions must be compatible in color, style and materials with the exterior of the manufactured home.

(c) The installation of a modular dwelling shall comply with the following standards, in addition to the regulations and codes normally applicable to site-built dwellings:

(1) The dwelling and lot shall have an estimated taxable value after installation of the dwelling equal to or greater than the median taxable value for each single-family dwelling located within 300 feet of the lot on which the modular home is proposed to be located, as determined by the most recent certified tax appraisal roll.

(2) The exterior siding, roofing, roof pitch, foundation fascia, and fenestration shall be compatible with single-family dwellings located within 300 feet of the lot on which the modular home is to be located.

(Ord. No. 97-21, § V(28-7-5), 10-7-97; Ord. No. 98-03, § II, 2-17-98; Ord. No. 98-15, § II, 7-7-98; Ord. No. 04-34, § II, 12-21-04; Ord. No. 08-02, § II, 3-18-08)

Cross reference— Manufactured home parks, [ch. 34](#).

From Chapter 64, Appendix II Table:

District: MH (Manufactured Home) (Note 9)

Minimum Lot Area (sq. ft.): 7,000

Minimum Lot Dimensions (ft.): 65 wide by 100 deep

Maximum Lot Coverage with Structures: 30 percent

Minimum Building Setbacks from Property Line (ft.): Street- 25; Side- 7.5 each side abutting another lot; and Rear- 10

Maximum Height: 2 stories

Off-Street Parking Spaces Required: 2, plus 1 for each additional bedroom over 3 bedrooms

On corner lots, the street setback shall be 25 ft. minimum on one street and 15 ft. minimum on the other street. See [Chapter 34](#), Code of Ordinances for manufactured home parks.

Note 9: These requirements are only for manufactured homes or site-built single-family dwellings on residential lots. Manufactured home parks shall comply with the provisions of [chapter 34](#), City Code.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: July 15, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding the City of Lockhart's activities to commemorate and celebrate the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026.

ORIGINATING DEPARTMENT AND CONTACT: Council - Mayor Lew White

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: Mayor White asked that an item be placed on the agenda to discuss the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026.

The purpose of the item is to discuss how the City of Lockhart could develop its own spirited tribute to celebrate this occasion.

During the U.S. bicentennial in 1976, communities devised their own local celebrations including: community parties, concerts, parades, airshows, fireworks, storytelling, re-enactments, civics instruction, etc.

A review of the 1976 Lockhart Post Register archives reveals the following events/activities took place in Lockhart:

- Bicentennial Salute - 2,000 balloons launched and given to children.
- Bicentennial Dance - At City Park, sponsored by Lockhart Jaycees.
- 4th of July Dance in Rockne.
- Daughters of the Revolution - Invitation to a local chapter meeting at the Caldwell County District Courtroom.
- Bicentennial Savings Bond - Lockhart State Bank sold Independence Day Savings Bonds and marketed them as "collectors items."

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Council direction to consider forming a

City of Lockhart, Texas

Council Agenda Item Cover Sheet

community planning committee.

LIST OF SUPPORTING DOCUMENTS: .



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:

