

PUBLIC NOTICE
AGENDA
LOCKHART CITY COUNCIL
August 5, 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. Recognition of the Lockhart Sr. Girls Softball Team for winning the Texas East State Championship.
- B. Discuss Resolution 2025-24 to grant Hillwood Communities a 90-day extension of the conditional consent to form the Lockhart Municipal Utility District (MUD) of Caldwell County and the inclusion into said district of 889.3 acres of land, 720.681 acres of which is in the City's ETJ. **6-24**
- C. Discussion regarding temporary staging area easements with Guadalupe-Blanco River Authority (GBRA) at the Cesar Chavez elevated storage tank site on SH130 and the Lockhart Water Treatment Plant located on Old McMahan Road for the Carrizo Groundwater Supply TX-130 Project. **25-41**
- D. Discuss amending the Interlocal Agreement between Capital Area Rural Transportation System (CARTS) and the City of Lockhart. **42-52**
- E. Discuss Ordinance 2025-15 authorizing the issuance of the Series 2025 Certificates of Obligation. **53-100**
- F. Presentation of the City of Lockhart's Fiscal Year (FY) 2025-2026 Proposed Budget and consider the Lockhart Economic Development Corporation's Budget for FY 2025-2026, and set two public hearings on the FY 2025-2026 City of Lockhart Proposed Budget. **101-103**
- G. Discussion regarding setting the 2025 combined maintenance and operations and interest and sinking proposed property tax rate of the City of Lockhart. **104-116**

- H. Discussion regarding First Addendum to Professional Services Agreement of Municipal Court Presiding Judge regarding a salary adjustment. 117-125
- I. Discuss Second Lease Agreement Extension with H.L. Baker and Mark Needham for a City-owned Hangar at the Lockhart Municipal Airport. 126-192
- J. Discuss Ordinance 2025-16 ordering a General Election on November 4, 2025 for the purpose of electing One Councilmember District 1; One Councilmember District 2; and, Two Councilmembers At-Large; providing for Joint Election with Caldwell County; establishing early voting locations and hours; ordering Notice of Election to be given as prescribed by law; and making provision for the conduct of the election. 193-216
- K. Discuss the City Council minutes of the August 20, 2024 and September 3, 2024 meetings. 217-234
- L. Discussion regarding a request from Councilmember Lairsen to initiate possible amendments to Chapter 18, Environment, concerning code enforcement activities, including the support of voluntary compliance and reducing recurring violations. 235-235
- M. Discussion regarding the appointment of members to a citizen planning committee 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. 236-237
- N. Announcement of nomination of Jason De La Cruz to the Construction Board of Appeals by Councilmember John Castillo for a term to expire in November 2025. 238-242

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. Approve Ordinance 2025-16 ordering a General Election on November 4, 2025 for the purpose of electing One Councilmember District 1; One Councilmember District 2; and, Two Councilmembers At-Large; providing for Joint Election with Caldwell County; establishing early voting locations and hours; ordering Notice of Election to be given as prescribed by law; and making provision for the conduct of the election. **243-266**
- B. Approve the City Council minutes of the August 20, 2024 and September 3, 2024 meetings. **267-284**

5. DISCUSSION/ACTION ITEMS

- A. Discuss and/or consider Resolution 2025-24 to grant Hillwood Communities a 90-day extension of the conditional consent to form the Lockhart Municipal Utility District (MUD) of Caldwell County and the inclusion into said district of 889.3 acres of land, 720.681 acres of which is in the City's ETJ. **285-304**
- B. Discussion and consider temporary staging area easements with Guadalupe-Blanco River Authority (GBRA) at the Cesar Chavez elevated storage tank site on SH130 and the Lockhart Water Treatment Plant located on Old McMahan Road for the Carrizo Groundwater Supply TX-130 Project. **305-320**
- C. Discussion and/or action regarding amending the Interlocal Agreement between Capital Area Rural Transportation System (CARTS) and the City of Lockhart. **321-331**
- D. Consideration and action with respect to Ordinance 2025-15 authorizing the issuance of the Series 2025 Certificates of Obligation. **332-379**
- E. Presentation of the City of Lockhart's Fiscal Year (FY) 2025-2026 Proposed Budget and consider the Lockhart Economic Development Corporation's Budget for FY 2025-2026, and set two public hearings on the FY 2025-2026 City of Lockhart Proposed Budget. **380-382**
- F. Discussion and/or action regarding setting the 2025 combined maintenance and operations and interest and sinking proposed property tax rate of the City of Lockhart. **383-395**
- G. Discussion and/or action regarding First Addendum to Professional Services Agreement of Municipal Court Presiding Judge regarding a salary adjustment. **396-404**
- H. Discussion and/or action regarding Second Lease Agreement Extension with H.L. Baker and Mark Needham for a City-owned Hangar at the Lockhart Municipal Airport. **405-471**

- I. Discussion and/or action regarding the appointment of members to a citizen planning committee 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. 472-473
- J. Announcement of nomination of Jason De La Cruz to the Construction Board of Appeals by Councilmember John Castillo for a term to expire in November 2025. 474-478

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

- Update on Mockingbird Signal Improvement and SH142 Overlay project.
- Update on completion of Airport Paving Project.
- Austin Community College (ACC) to begin in-person classes in Lockhart this upcoming fall.
- Lockhart Police now has an established space for residents to conduct in-person transactions from online sales.
- Lockhart Police's next Coffee With a Cop event is now scheduled for August 20.

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 551.072 - 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.

9. OPEN SESSION

- A. 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.

10. 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 August 1, 2025 at 4:00pm.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss Resolution 2025-24 to grant Hillwood Communities a 90-day extension of the conditional consent to form the Lockhart Municipal Utility District (MUD) of Caldwell County and the inclusion into said district of 889.3 acres of land, 720.681 acres of which is in the City's ETJ.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: State law requires that a city consent to the inclusion of land in its ETJ in a municipal utility district ("MUD"). At a workshop on January 27, 2025, Hillwood Communities discussed the development of 889.3 acres of land ("Property"), 720.681 acres of which is in City's ETJ ("Property"). Hillwood Communities is in its due diligence period for the purchase of the Property and has asked the City to grant a conditional consent to creation of the Lockhart Municipal Utility District of Caldwell County and the inclusion of the Property into said district. This consent was granted with the passage of Resolution 2025-08 on February 18, 2025. This consent agreement will expire on August 18, 2025, creating the need for an extension as the Development Agreement between Hillwood and the City of Lockhart has not yet been approved. The subject agreement is conditioned in part on the ability of Hillwood Communities and the City being able to negotiate and enter into a development agreement and expires in 90 days, and represents an extension of the original 180-day consent agreement. An additional factor leading to the request for the extension is the possibility of adding additional land to the MUD area, covering 148.5 acres.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): None

PREVIOUS COUNCIL ACTION: City Council approved Resolution 2025-08, granting conditional consent to the creation of the MUD as the subject property.

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2025-24,

City of Lockhart, Texas

Council Agenda Item Cover Sheet

granting a 90-day extension to the conditional consent to create a MUD granted on February 18, 2025.

LIST OF SUPPORTING DOCUMENTS: Lockhart Resolution 2025-24 ExtendingHillwood MUD Conditional Consent, Ex. A - LockhartMUD City Consent Resolution No. 2025-08 City of Lockhart, Resolution 2025-24--Exhibit B Title page, Ex. B - MELDE TRACT

CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING EXTENSION OF ADDITIONAL 90 DAYS TO NEGOTIATE AND ENTER INTO A DEVELOPMENT AGREEMENT AND PROVIDING THAT THE CITY'S CONDITIONAL CONSENT TO THE CREATION OF THE SPENCEWOOD MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY WILL EXPIRE UPON THE PASSAGE OF SUCH ADDITIONAL 90 DAYS.

WHEREAS, pursuant to Resolution No. 2025-08, the City of Lockhart, Texas (the "City"), a home-rule municipality created under the laws of the State of Texas, provided its conditional consent to the creation of the Spencewood Municipal Utility District of Caldwell County (the "District") encompassing 889.3 acres ("Land") as more particularly described in Exhibit A, attached hereto and incorporated by reference, approximately 720.681 acres of the Land being situated within the City's extraterritorial jurisdiction and the remainder situated within unincorporated Caldwell County; and

WHEREAS, the City's Conditional Consent was conditioned on the City and the owners of the Land negotiating and entering into a development agreement (the "Development Agreement") concerning the Land, pursuant to Section 212.172 of the Texas Local Government Code, to the extent any portion of the District is located within the City's extraterritorial jurisdiction as reflected in Exhibit A; and

WHEREAS, Resolution No. 2025-08 provides for the expiration of the City's conditional consent upon the passage of one-hundred eighty (180) days after February 18, 2025, or August 17, 2025; and

WHEREAS, Hillwood Enterprises, L.P., a Texas limited partnership, has entered into an earnest money contract to purchase an additional 148.5 acres (the "Additional Land") as more particularly described in Exhibit B, attached hereto and incorporated by reference; and

WHEREAS, the City wishes to grant an extension of an additional 90 days after August 17, 2025 for the City and the owners of any portion of the Land and the Additional Land within the City's extraterritorial jurisdiction to negotiate and enter into a Development Agreement;

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the "City Council"), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby extends for an additional 90 days its conditional support and consent for the creation of a district operating pursuant to Article XVI, Section 59 and

Article III, Section 52, Texas Constitution and Chapter 54, Texas Water Code, as amended, to the extent any portion of the District is located within the City's extraterritorial jurisdiction, as shown more fully in Exhibit A, and to the extent that the City and the owners of the Land and the Additional Land within the extraterritorial jurisdiction of the City are able to negotiate and enter into a Development Agreement. The City Council's conditional consent applies to the Land and the Additional Land and expires 90 days after August 17, 2025.

Section 3. The City Council hereby finds and determines that sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted as a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, contained in Chapter 551 of the Texas Government Code, as amended, and that this meeting was open to the public and the subject matter of this Resolution and its contents have been discussed, considered and formally acted upon by the City Council. Further, the City Council ratifies, approves and confirms such written notice and the contents and posting thereof, and the foregoing fully complied with all applicable law.

Section 4. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 5. This Resolution shall be effective from and after its passage by the City Council.

PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the 5th day of August, 2025.

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney

EXHIBIT A
(Certified Resolution No. 2025-08)

CERTIFICATION

STATE OF TEXAS §

COUNTY OF CALDWELL §

I, Julie Bowermon, City Secretary of the City of Lockhart, Texas do hereby certify that I am the custodian of the records of the City of Lockhart, Texas, and that the attached is a true and exact copy of Resolution 2025-08, in its entirety, as adopted February 18, 2025, with the caption as follows:

CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING CONDITIONAL CONSENT TO THE CREATION OF THE LOCKHART MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY AND THE INCLUSION OF 889.3 ACRES OF LAND INTO SAID DISTRICT; MAKING FINDINGS RELATED THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

WITNESS MY HAND AND OFFICIAL SEAL of the City of Lockhart, Texas this the 20th day of February, 2025.



Julie Bowermon
City Secretary

(SEAL)



CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING CONDITIONAL CONSENT TO THE CREATION OF THE LOCKHART MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY AND THE INCLUSION OF 889.3 ACRES OF LAND INTO SAID DISTRICT; MAKING FINDINGS RELATED THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the “City”), a home-rule municipality created under the laws of the State of Texas, received a request for consent from Spencewood, Inc., (“Owner”) to the creation of the Lockhart Municipal Utility District of Caldwell County (the “District”) encompassing 889.3 acres (“Land”) as more particularly described in Exhibit A, attached hereto and incorporated by reference, approximately 720.681 acres of the Land being situated within the City’s extraterritorial jurisdiction and the remainder situated within unincorporated Caldwell County; and

WHEREAS, the Land is not situated within the corporate limits or extraterritorial jurisdiction of any other municipality; and

WHEREAS, Section 54.016 of the Texas Water Code provides that land within a city or its extraterritorial jurisdiction may not be included within a municipal utility district without such city’s consent; and

WHEREAS, this Resolution is authorized by Section 54.016 of the Texas Water Code, Chapters 49 and 54 of the Texas Water Code, Section 42.042 of the Texas Local Government Code, and all applicable law; and

WHEREAS, the District will be created and organized pursuant to Article XVI, Section 59 and Article III, Section 52, of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code, as amended; and

WHEREAS, the City wishes to evidence its conditional support and consent for the creation of the District to the extent any portion of the District is located within the City’s extraterritorial jurisdiction, as evidenced by Exhibit A, subject to the terms of a Development Agreement to be negotiated between the City and the landowners (the “Development Agreement”) and the terms of this Resolution, subject to the expiration thereof upon the passage of one-hundred eighty (180) days,

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the “City Council”), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby grants its conditional support and consent for the creation of a district operating pursuant to Article XVI, Section 59 and Article III, Section 52, Texas Constitution and Chapter 54, Texas Water Code, as amended, to the extent any portion of the District is located within its extraterritorial jurisdiction as shown more fully in Exhibit A and to the extent that the City and Owner and District are able to negotiate and enter into a Development Agreement, and the City Manager of the City is hereby authorized to execute any documents necessary to effectuate this Resolution. The City Council's conditional consent expires one hundred and eighty (180) days from the date of this Resolution.

Section 3. The City Council further states that it has not relinquished any rights, duties or powers relating to the inclusion of the District within its extraterritorial jurisdiction.

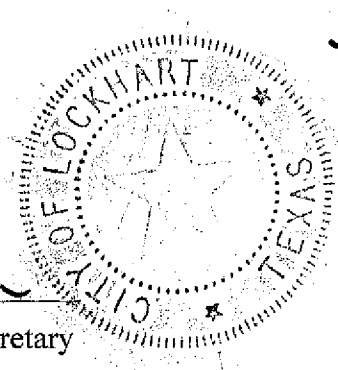
Section 4. The City Council further states that this Resolution is provided subject to and in reliance upon the terms of a Development Agreement, which may be entered into between the City and the landowners within the District. The District shall execute a joinder and become a party to the Development Agreement. The City does not consent to the organization of the District, election, or issuance of bonds from any revenue available to the District until the Development Agreement is executed.

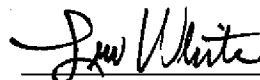
Section 5. The City Council hereby finds and determines that sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted as a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, contained in Chapter 551 of the Texas Government Code, as amended, and that this meeting was open to the public and the subject matter of this Resolution and its contents have been discussed, considered and formally acted upon by the City Council. Further, the City Council ratifies, approves and confirms such written notice and the contents and posting thereof, and the foregoing fully complied with all applicable law.

Section 6. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 7. This Resolution shall be effective from and after its passage by the City Council.

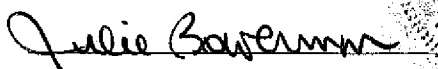
PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the 18th day of February, 2025.





Lew White, Mayor

ATTEST:


Julie Bowermon, City Secretary

APPROVED AS TO FORM:


Bradford E. Bullock, City Attorney

EXHIBIT A
(Legal Description of Property to be included in the District)



Exhibit A

February 6, 2025
Spencewood - 889.3 Acres
Page 1 of 5

DESCRIPTION OF AN 889.3 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
MILES G. DIKES SURVEY NO. 9, ABSTRACT NO. 6
CALDWELL COUNTY, TEXAS

BEING an 889.3 acre tract of land situated in the James M. Baker Survey, Abstract No. 46, and the Miles G. Dikes Survey No. 9, Abstract No. 6 of Caldwell County, Texas, being a portion of a called 691.822 acre tract of land described in an instrument to Spencewood, Inc. described in Volume 194, Page 893, Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.), save and except a called 80.895 acre tract described in an instrument recorded in Volume 538, Page 333, O.P.R.C.C.T., and save and except a called 129.248 acre tract described in an instrument recorded in Volume 552, Page 399, O.P.R.C.C.T.; being all of a called 181.790 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 503, Page 764, O.P.R.C.C.T.; being a portion of a called 57.315 acre tract of land described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 543, O.P.R.C.C.T., save and except a called 0.339 acre tract recorded in Volume 579, Page 97, O.P.R.C.C.T.; said 889.3 acre tract of land described by metes and bounds as follows:

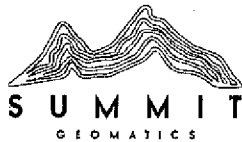
BEGINNING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Pg. 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T.), being the Southwest corner of the remainder of a called 101.25 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of the remainder of said 691.822 acre tract of land;

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set in the center of an old tree stump with wire;

THENCE, South 10° 40' 13" East, along and with an East line of said 691.822 acre tract and the West line of a called 70.83 acre tract (Tract II) and a called 70.83 acre tract (Tract I) described in an instrument to Delbert Decker recorded in Volume 435, Page 472, O.P.R.C.C.T., a distance of 2,008.96 feet to a 10-inch cedar fence post found for the Southwest corner of said 70.83 acre tract (Tract I) and being an interior corner of said 691.822 acre tract and the herein described tract;



THENCE, North 78° 21' 12" East, along and with the South line of said 70.83 acre tract (Tract I) and the North line of said 691.822 acre tract, and the North line of said 181.790 acre tract, a distance of 3,275.62 feet to a 3/8-inch iron rod found for the Southeast corner of said Tract I and being the Southwest corner of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T. and being an angle point on the North line of said 181.790 acre tract;

THENCE, North 78° 03' 03" East, along and with the South line of said 118.357 acre tract and the North line of said 181.790 acre tract, a distance of 1,777.47 feet to a 7-inch cedar fence post found on the occupied West right-of-way line of Dry Creek Road (variable width right-of-way – no deed of record found) and being the occupied Northeast corner of said 181.790 acre tract, and an angle point on the South line of said 118.357 acre tract;

THENCE, along and with the East and South lines of said 181.790 acre tract same being the occupied West and North right-of-way lines of said Dry Creek Road, the following eight (8) bearings and distances:

- 1) South 36° 03' 44" East, a distance of 20.64 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 2) South 11° 35' 37" East, a distance of 593.70 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 3) South 12° 13' 42" East, a distance of 721.17 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 4) South 11° 31' 51" East, a distance of 1,285.35 feet to an 8-inch cedar fence corner post found for corner;
- 5) South 00° 48' 15" East, a distance of 159.84 feet to a 6-inch cedar fence corner post found for corner;
- 6) South 39° 04' 45" West, a distance of 71.90 feet to an 8-inch cedar fence corner post found for corner;
- 7) South 78° 27' 46" West, a distance of 772.29 feet to a 6-inch cedar fence corner post found for corner;
- 8) South 79° 38' 55" West, a distance of 784.15 feet to a 7-inch cedar fence corner post found for the most Easterly Northeast corner of said 691.822 acre tract;

THENCE, along and with the East lines of said 691.822 acre tract same being the occupied West right-of-way line of said Dry Creek Road, the following seven (7) bearings and distances:

- 1) South 10° 03' 46" West, a distance of 75.84 feet to a 37-inch live oak tree;
- 2) South 13° 04' 38" East, a distance of 86.31 feet to a 7-inch cedar fence corner post;
- 3) South 26° 28' 01" East, a distance of 83.48 feet to an 8-inch cedar fence corner post;
- 4) South 21° 18' 42" East, a distance of 512.98 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 5) South 21° 10' 59" East, a distance of 911.78 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 6) South 25° 11' 46" East, a distance of 622.32 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;



- 7) South $21^{\circ} 52' 46''$ East, a distance of 608.22 feet to a 3-inch metal fence post found for the occupied Southeast corner of said 691.822 acre tract and the occupied Northeast corner of a called 100 acre tract of land described as Second Tract in an instrument to Barbara Lou Segler et al recorded in Volume 364, Page 54 of the D.R.C.C.T.;

THENCE, along and with the common line of said 100 acre tract and said 691.822 acre tract, the following four (4) bearings and distances:

- 1) South $78^{\circ} 19' 35''$ West, a distance of 1,848.63 feet to a 7-inch cedar fence post found for an angle point;
- 2) South $78^{\circ} 18' 17''$ West, a distance of 1,280.10 feet to a 4-inch metal fence post found for an angle point;
- 3) South $78^{\circ} 45' 38''$ West, a distance of 806.01 feet to a t-post found for an angle point;
- 4) South $77^{\circ} 54' 58''$ West, a distance of 885.98 feet to a calculated point in the approximate centerline of Plum Creek and being the East line of a called 204.145 acre tract of land described in an instrument to La Familia Partnership, LTD., recorded in Volume 228, Page 493, O.P.R.C.C.T., and being further described in Volume 416, Page 694, D.R.C.C.T., and being the common Westerly corner of said 100 acre tract and said 691.822 acre tract and marking the most Southerly Southwest corner of the herein described tract;

THENCE, along and with the approximate centerline of Plum Creek, same being the East line of said 204.145 acre tract and the West line of said 691.822 acre tract, the following forty-one (41) bearings and distances:

- 1) North $23^{\circ} 24' 09''$ East, a distance of 57.35 feet to a calculated point for corner;
- 2) North $11^{\circ} 15' 07''$ East, a distance of 99.02 feet to a calculated point for corner;
- 3) North $03^{\circ} 03' 49''$ West, a distance of 83.76 feet to a calculated point for corner;
- 4) North $40^{\circ} 07' 18''$ West, a distance of 54.71 feet to a calculated point for corner;
- 5) North $43^{\circ} 48' 44''$ West, a distance of 86.61 feet to a calculated point for corner;
- 6) North $76^{\circ} 38' 06''$ West, a distance of 59.52 feet to a calculated point for corner;
- 7) North $89^{\circ} 34' 23''$ West, a distance of 159.53 feet to a calculated point for corner;
- 8) North $45^{\circ} 43' 00''$ West, a distance of 237.39 feet to a calculated point for corner;
- 9) North $04^{\circ} 50' 50''$ West, a distance of 88.11 feet to a calculated point for corner;
- 10) North $38^{\circ} 24' 49''$ West, a distance of 112.95 feet to a calculated point for corner;
- 11) North $31^{\circ} 03' 49''$ West, a distance of 66.09 feet to a calculated point for corner;
- 12) North $48^{\circ} 41' 53''$ West, a distance of 69.74 feet to a calculated point for corner;
- 13) South $81^{\circ} 32' 05''$ West, a distance of 138.88 feet to a calculated point for corner;
- 14) South $84^{\circ} 47' 07''$ West, a distance of 45.19 feet to a calculated point for corner;
- 15) South $80^{\circ} 12' 18''$ West, a distance of 76.04 feet to a calculated point for corner;
- 16) South $75^{\circ} 16' 21''$ West, a distance of 22.49 feet to a calculated point for corner;
- 17) South $33^{\circ} 29' 16''$ West, a distance of 72.95 feet to a calculated point for corner;
- 18) South $66^{\circ} 38' 23''$ West, a distance of 113.82 feet to a calculated point for corner;
- 19) North $52^{\circ} 12' 37''$ West, a distance of 29.22 feet to a calculated point for corner;
- 20) North $51^{\circ} 00' 35''$ West, a distance of 100.62 feet to a calculated point for corner;
- 21) North $58^{\circ} 43' 21''$ West, a distance of 115.68 feet to a calculated point for corner;
- 22) South $89^{\circ} 41' 28''$ West, a distance of 84.87 feet to a calculated point for corner;
- 23) North $49^{\circ} 34' 03''$ West, a distance of 161.32 feet to a calculated point for corner;
- 24) North $10^{\circ} 20' 55''$ West, a distance of 146.23 feet to a calculated point for corner;
- 25) North $06^{\circ} 40' 43''$ East, a distance of 113.07 feet to a calculated point for corner;



- 26) North 02° 26' 01" West, a distance of 62.69 feet to a calculated point for corner;
- 27) North 06° 30' 09" East, a distance of 51.12 feet to a calculated point for corner;
- 28) North 12° 55' 26" East, a distance of 70.10 feet to a calculated point for corner;
- 29) North 15° 21' 21" East, a distance of 97.97 feet to a calculated point for corner;
- 30) North 10° 31' 47" East, a distance of 155.22 feet to a calculated point for corner;
- 31) North 24° 32' 11" East, a distance of 33.50 feet to a calculated point for corner;
- 32) North 11° 05' 46" East, a distance of 56.86 feet to a calculated point for corner;
- 33) North 19° 37' 09" East, a distance of 179.53 feet to a calculated point for corner;
- 34) North 33° 57' 25" East, a distance of 116.26 feet to a calculated point for corner;
- 35) North 42° 05' 09" East, a distance of 86.94 feet to a calculated point for corner;
- 36) North 59° 43' 10" East, a distance of 77.48 feet to a calculated point for corner;
- 37) North 52° 59' 09" East, a distance of 217.90 feet to a calculated point for corner;
- 38) North 54° 38' 09" East, a distance of 79.74 feet to a calculated point for corner;
- 39) North 34° 30' 50" East, a distance of 166.27 feet to a calculated point for corner;
- 40) North 11° 33' 43" East, a distance of 112.67 feet to a calculated point for corner;
- 41) North 04° 11' 35" West, a distance of 78.81 feet to a calculated point for the Northeast corner of said 204.145 acre tract and being the Southeast corner of said 57.315 acre tract;

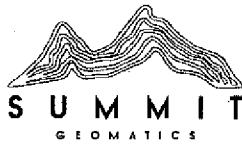
THENCE, South 78° 34' 00" West, along and with the occupied South line of said 57.315 acre tract and being the occupied North line of said 204.145 acre tract, a distance of 1,616.84 feet to a calculated point for corner;

THENCE, North 11° 27' 55" East, over and across said 57.315 acre tract, a distance of 55.71 feet to a 1/2-inch iron rod with cap stamped "Hinkle Surveying" found for the monumented Southeast corner of a called 9.988 acre tract of land described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 601, O.P.R.C.C.T.;

THENCE, North 11° 09' 57" East, along and with the West line of said 57.315 acre tract same being the East line of said 9.998 acre tract, the East line of a called 9.484 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 551, O.P.R.C.C.T., the East line of a called 9.391 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 558, O.P.R.C.C.T., the East line of a called 9.329 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 565, O.P.R.C.C.T., the East line of a called 9.304 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 572, O.P.R.C.C.T., the East line of a called 9.198 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 536, O.P.R.C.C.T., and the East line of a called 36.934 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 528, O.P.R.C.C.T., at a distance of 2,444.22 feet passing a 1/2-inch iron rod (bent) and continuing for a total distance of 2,591.70 feet to a calculated point in the approximate centerline of Plum Creek and being the Northeast corner of said 36.934 acre tract;

THENCE, along and with the North line of said 36.934 acre tract, the following eight (8) bearings and distances:

- 1) North 31° 24' 31" West, a distance of 61.66 feet to a calculated point for corner;
- 2) North 08° 56' 21" West, a distance of 84.16 feet to a calculated point for corner;
- 3) North 40° 23' 15" West, a distance of 114.49 feet to a calculated point for corner;
- 4) North 43° 38' 39" West, a distance of 134.69 feet to a calculated point for corner;
- 5) North 19° 31' 20" West, a distance of 80.43 feet to a calculated point for corner;
- 6) North 37° 11' 55" West, a distance of 100.98 feet to a calculated point for corner;



- 7) North 45° 50' 12" West, a distance of 211.91 feet to a calculated point for corner;
- 8) North 68° 14' 45" West, a distance of 106.56 feet to a 60D nail found on the East right-of-way line of said S.H. 130;

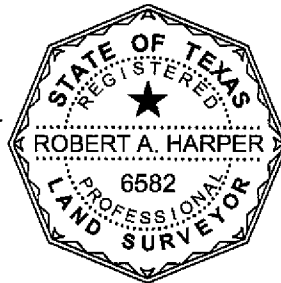
THENCE, North 11° 10' 57" East, along and with the East right-of-way line of said S.H. 130, a distance of 1,552.24 feet to a TxDOT Type II brass disc monument marking the beginning of a curve to the right;

THENCE, continuing along and with the East right-of-way line of said S.H. 130 and along said curve to the right through an angle of 02° 17' 59", having a radius of 12,000.00 feet, an arc length of 481.63 feet and whose long chord bears North 12° 19' 56" East, a distance of 481.60 feet to the **POINT OF BEGINNING** and containing 889.3 acres of land.

Notes:

- 1) Bearing orientation is based upon the Texas Coordinate System, South Central Zone 4204, North American Datum of 1983 (NAD 83), 2011 Adjustment, Epoch 2010.00. Distances shown hereon are in Surface. To convert distances to Divide by the Surface Adjustment Factor of 1.00013.
- 2) This M&B description was prepared in conjunction with a survey sketch of even date.

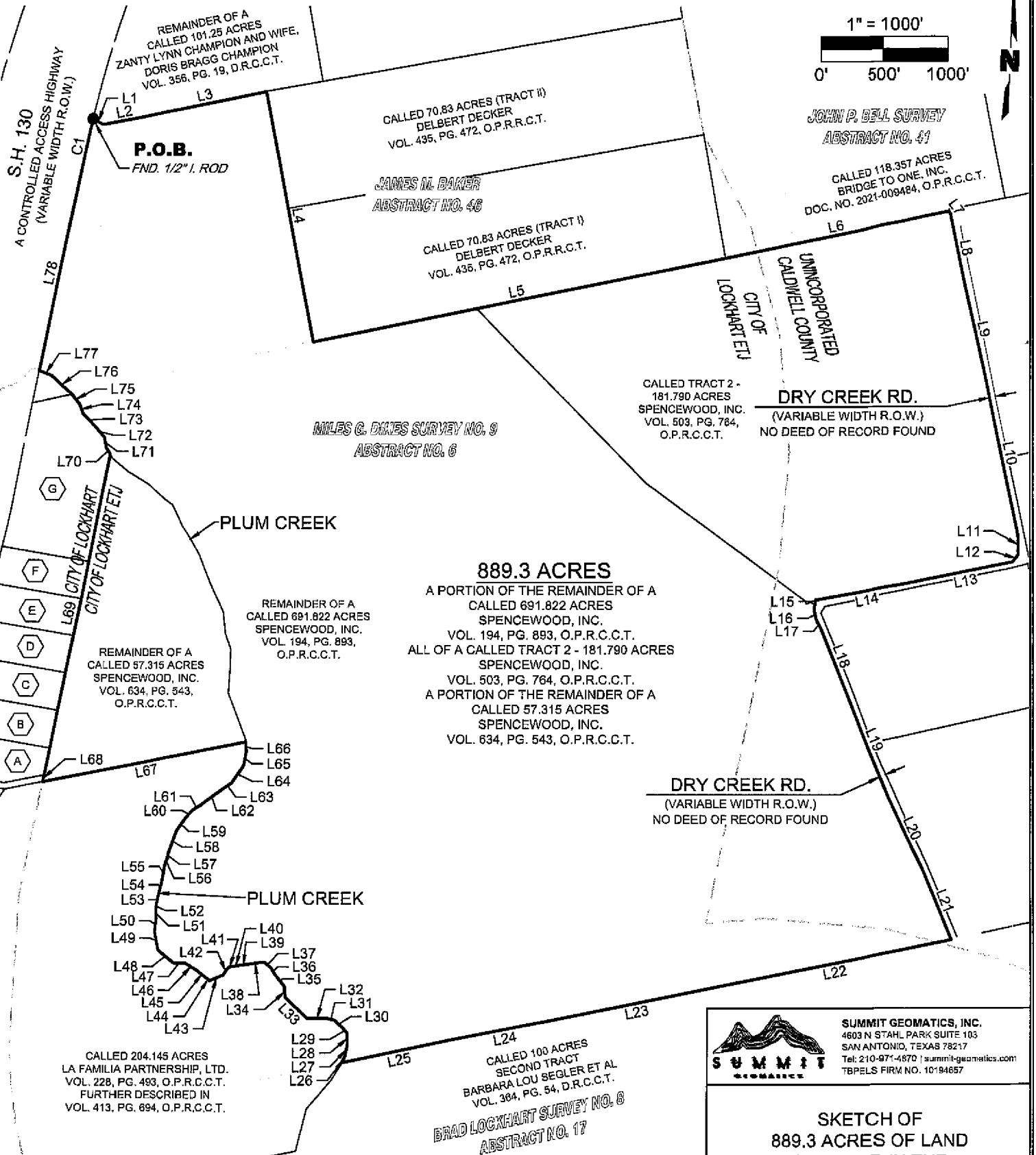
Robert A. Harper, RPLS No. 6582
Summit Geomatics, Inc.
4603 N Stahl Park Suite 103
San Antonio, Texas 78217
TBPELS Firm No. 10194657



SKETCH TO ACCOMPANY M&B DESCRIPTION

1" = 1000'

0' 500' 1000'



GENERAL NOTES:

1. BEARING ORIENTATION IS BASED UPON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE 4204, NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. MEASUREMENTS ARE IN U.S. SURVEY FEET. DISTANCES AND COORDINATES SHOWN HEREON ARE IN SURFACE AND MAY BE CONVERTED TO GRID BY USING THE COMBINED ADJUSTMENT FACTOR OF 1.00013.
2. A METES AND BOUNDS DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS SKETCH.



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TBPELS FIRM NO. 10194657

**SKETCH OF
889.3 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
MILES G. DIKES SURVEY NO. 9, A-6
CALDWELL COUNTY, TEXAS**

SCALE:	JOB NO.:	DATE:	SHEET:
1"=1,000'	24,0329	02/08/2025	1 OF 2

SKETCH TO ACCOMPANY M&B DESCRIPTION

LEGEND

DOC. DOCUMENT
FND. FOUND
I. IRON
NO. NUMBER
O.P.R.C.C.T. OFFICIAL PUBLIC RECORDS
OF CALDWELL COUNTY, TEXAS
PG. PAGE
P.O.B. POINT OF BEGINNING
VOL. VOLUME

LINE TABLE

NO.	BEARING	DISTANCE
L1	S 61°53'33" E	93.52'
L2	N 78°52'36" E	348.06'
L3	N 78°30'19" E	950.36'
L4	S 10°40'13" E	2,008.96'
L5	N 78°21'12" E	3,275.62'
L6	N 78°03'03" E	1,777.47'
L7	S 36°03'44" E	20.64'
L8	S 11°35'37" E	593.70'
L9	S 12°13'42" E	721.17'
L10	S 11°31'51" E	1,285.35'
L11	S 00°48'15" E	159.84'
L12	S 39°04'45" W	71.90'
L13	S 78°27'46" W	772.29'
L14	S 79°38'55" W	784.15'
L15	S 10°03'46" W	75.84'
L16	S 13°04'38" E	86.31'
L17	S 26°28'01" E	83.48'
L18	S 21°18'42" E	512.98'
L19	S 21°10'59" E	911.78'
L20	S 25°11'46" E	622.32'
L21	S 21°52'46" E	608.22'
L22	S 78°19'35" W	1,848.63'
L23	S 78°18'17" W	1,280.10'
L24	S 78°45'38" W	806.01'
L25	S 77°54'58" W	885.98'
L26	N 23°24'09" E	57.35'
L27	N 11°15'07" E	99.02'
L28	N 03°03'49" W	83.76'
L29	N 40°07'18" W	54.71'
L30	N 43°48'44" W	86.61'
L31	N 76°38'06" W	59.52'
L32	N 89°34'23" W	159.53'
L33	N 45°43'00" W	237.39'
L34	N 04°50'50" W	88.11'
L35	N 38°24'49" W	112.95'
L36	N 31°03'49" W	66.09'
L37	N 48°41'53" W	69.74'
L38	S 81°32'05" W	138.88'
L39	S 84°47'07" W	45.19'

LINE TABLE

NO.	BEARING	DISTANCE
L40	S 80°12'18" W	76.04'
L41	S 75°16'21" W	22.49'
L42	S 33°29'16" W	72.95'
L43	S 66°38'23" W	113.82'
L44	N 52°12'37" W	29.22'
L45	N 51°00'35" W	100.62'
L46	N 58°43'21" W	115.68'
L47	S 89°41'28" W	84.87'
L48	N 49°34'03" W	161.32'
L49	N 10°20'55" W	146.23'
L50	N 06°40'43" E	113.07'
L51	N 02°26'01" W	62.69'
L52	N 06°30'09" E	51.12'
L53	N 12°55'26" E	70.10'
L54	N 15°21'21" E	97.97'
L55	N 10°31'47" E	155.22'
L56	N 24°32'11" E	33.50'
L57	N 11°05'46" E	56.86'
L58	N 19°37'09" E	179.53'
L59	N 33°57'25" E	116.26'
L60	N 42°05'09" E	86.94'
L61	N 59°43'10" E	77.48'
L62	N 52°59'09" E	217.90'
L63	N 54°38'09" E	79.74'
L64	N 34°30'50" E	166.27'
L65	N 11°33'43" E	112.67'
L66	N 04°11'35" W	78.81'
L67	S 78°34'00" W	1,616.84'
L68	N 11°27'55" E	55.71'
L69	N 11°09'57" E	2,591.70'
L70	N 31°24'31" W	61.66'
L71	N 08°56'21" W	84.16'
L72	N 40°23'15" W	114.49'
L73	N 43°38'39" W	134.69'
L74	N 19°31'20" W	80.43'
L75	N 37°11'55" W	100.98'
L76	N 45°50'12" W	211.91'
L77	N 68°14'45" W	106.56'
L78	N 11°10'57" E	1,552.24'

A

REMAINDER OF A
CALLED 9.988 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 601, O.P.R.C.C.T.

B

REMAINDER OF A
CALLED 9.484 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 551, O.P.R.C.C.T.

C

REMAINDER OF A
CALLED 9.381 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 558, O.P.R.C.C.T.

D

REMAINDER OF A
CALLED 9.329 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 565, O.P.R.C.C.T.

E

REMAINDER OF A
CALLED 9.304 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 572, O.P.R.C.C.T.

F

REMAINDER OF A
CALLED 9.198 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 538, O.P.R.C.C.T.

G

REMAINDER OF A
CALLED 36.934 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 528, O.P.R.C.C.T.

CURVE TABLE

NO.	ARC LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	481.63'	12,000.00'	2°17'59"	N 12°19'56" E	481.60'



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TBPELS FIRM NO. 10194657

SKETCH OF
889.3 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
MILES G. DIKES SURVEY NO. 9, A-6
CALDWELL COUNTY, TEXAS

SCALE:	JOB NO.:	DATE:	SHEET:
1"=1,000'	24.0329	02/06/2025	2 OF 2

EXHIBIT B
(Melde Tract – 148.5 Acres)

DESCRIPTION OF A 148.5 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
CALDWELL COUNTY, TEXAS

BEING a 148.5 acre tract of land situated in the James M. Baker Survey, Abstract No. 46 of Caldwell County, Texas, being all of a called 70.83 acre tract of land described as Tract I and all of a called 70.83 acre tract of land described as Tract II recorded in Volume 435, Page 472, of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 148.5 acre tract of land described by metes and bounds as follows:

COMMENCING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 553, Page 255, O.P.R.C.C.T., Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Pg. 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T.), being the Southwest corner of the remainder of a called 101-1/4 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of a called 691.822 acre tract of land described in an instrument recorded to Spencewood, Inc. recorded in Volume 194, Page 893, O.P.R.C.C.T.;

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." found in the center of an old tree stump with wire for the Northwest corner and **POINT OF BEGINNING** of the herein described tract;

THENCE, North 79° 42' 13" East, along and with the North line of said 70.83 acre Tract II same being the South line of said 101-1/4 acre tract, and the South line of a called 78.962 acre tract of land described in an instrument to David L. Pittman recorded in Volume 35, Page 339, D.R.C.C.T., a distance of 3,290.86 feet to a 3/8-inch iron rod found on the West line of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T., for the Southeast corner of said 78.962 acre tract, marking the Northeast corner of the herein described tract;

THENCE, South 10° 12' 23" East, along and with the West line of said 118.357 acre tract same being the East lines of said 70.83 acre Tracts I and II, a distance of 1,931.74 feet to a 3/8-inch iron rod found on the North line of a called 181.790 acre tract of land described as Tract 2 in an instrument to Spencewood Inc., recorded in Volume 503, Page 764, O.P.R.C.C.T., and marking the Southeast corner of said 70.83 acre Tract I and the herein described tract;

THENCE, South 78° 21' 12" West, along and with the South line of said 70.83 acre Tract I same being the North lines of said 181.790 acre tract and said 691.822 acre tract, a distance of 3,275.62 feet to a 10-inch Cedar Post found marking the Southwest corner of said 70.83 acre Tract I and the herein described tract;

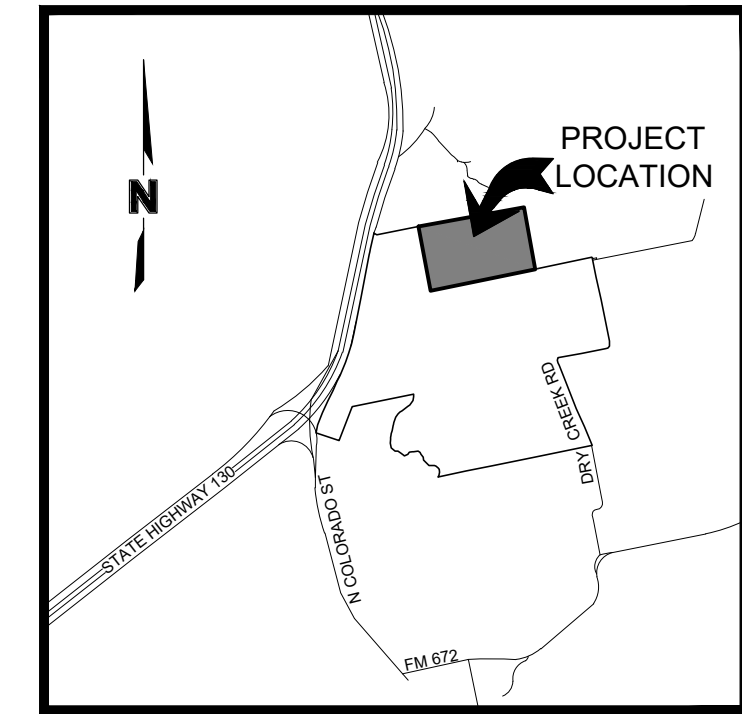
THENCE, North 10° 40' 13" West, along and with an East line of said 691.822 acre tract and the West lines of said 70.83 acre Tracts I and II, a distance of 2,008.96 feet to **POINT OF BEGINNING** and containing 148.5 acres of land.

Notes:

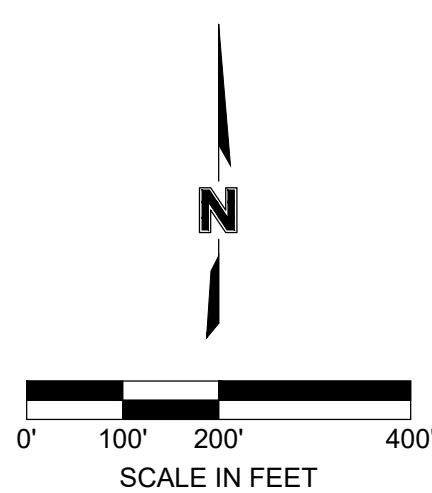
- 1) Bearing orientation is based upon the Texas Coordinate System, South Central Zone 4204, North American Datum of 1983 (NAD 83), 2011 Adjustment, Epoch 2010.00. Distances shown hereon are in Surface. To convert distances to Divide by the Surface Adjustment Factor of 1.00013.
- 2) This M&B description was prepared in conjunction with a survey of even date.

Robert A. Harper, RPLS No. 6582

Summit Geomatics, Inc.
4603 N Stahl Park Suite 103
San Antonio, Texas 78217
TBPELS Firm No. 10194657



LOCATION MAP
NOT TO SCALE



LEGEND

C.M.	CONTROLLING MONUMENT	R.C.P.	REINFORCED CONCRETE PIPE
C.M.P.	CORRUGATED METAL PIPE	R.O.W.	RIGHT-OF-WAY
C.O.	CLEAN OUT	R.P.	REFLECTOR POST
CONC.	CONCRETE	TBL	TELEPHONE
D.E.	DRAINAGE EASEMENT	U.C.B.	UNDERGROUND CABLE/COMMUNICATION BOX
D.R.C.C.T.	DEED RECORDS OF CALDWELL COUNTY, TEXAS	U.E.	UTILITY EASEMENT
D.O.C.	DOCUMENT	U.E.B.	UNDERGROUND ELECTRIC BOX
E.C.R.	ELECTRIC CONDUIT RISER	VOL.	VOLUME
ELEC.	ELECTRIC	TEL. PED.	TELEPHONE PEDESTAL
ESMT.	EASEMENT	TRANS.	TRANSFORMER
F.H.	FIRE HYDRANT	W.M.	WATER METER
F.O.M.	FIBER OPTIC METER	W.V.	WATER VALVE
FND.	FOUND	W.V.	WATER VALVE
F.P.	FENCE POST	W.V.	WATER VALVE
I.C.H.	IRON	W.V.	WATER VALVE
MON.	MONUMENT	W.V.	WATER VALVE
M.P.R.C.C.T.	MAP AND PLAT RECORDS OF CALDWELL COUNTY, TEXAS	W.V.	WATER VALVE
NO.	NUMBER	W.V.	WATER VALVE
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS OF CALDWELL COUNTY, TEXAS	W.V.	WATER VALVE
PED.	PEDESTAL	W.V.	WATER VALVE
PG.	PAGE	W.V.	WATER VALVE
P.L.M.	PIPELINE MARKER	W.V.	WATER VALVE
P.O.B.	POINT OF BEGINNING	W.V.	WATER VALVE
P.P.	POWER POLE	W.V.	WATER VALVE

TITLE COMMITMENT NOTES:

- Easement granted by August Schuenemann to Texas Power & Light Company, recorded in Volume 121, Page 595, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Adoff Seeliger and wife, Martha Seeliger, to Sinclair Refining Company, recorded in Volume 217, Page 118, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Hilmer A. Seeliger to Humble Pipe Line Company, recorded in Volume 291, Page 578, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Hilmer A. Seeliger and wife, Jewell Seeliger, to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 298, Page 210, Deed Records, Caldwell County, Texas. (This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Easement granted by Jewell Seeliger, Alvina Bragg, and Lena Jackson to The Veterans' Land Board of the State of Texas, recorded in Volume 303, Page 567, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Fane and Alvina Bragg to Delbert Decker recorded in Volume 322, Page 227, Deed Records, Caldwell County, Texas. (This easement is a part of our subject tract - No description for the easement, Terrace outlet easement)
- Easement granted by Delbert Decker to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 365, Page 79, Deed Records, Caldwell County, Texas. (This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Easement granted Veteran's Land Board of Texas and Delbert Decker by to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 365, Page 393, Deed Records, Caldwell County, Texas. This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Terms, Conditions, and Stipulations contained in the Easement and Right of Way Agreement, recorded in Volume 220, Page 838, Official Public Records, Caldwell County, Texas. (This is a Blanket Easement. No description provided)
- 10q (Not survey related)

DESCRIPTION OF A 148.5 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
CALDWELL COUNTY, TEXAS

BEING a 148.5 acre tract of land situated in the James M. Baker Survey, Abstract No. 46 of Caldwell County, Texas, being all of a called 70.83 acre tract of land described as Tract I and all of a called 70.83 acre tract of land described as Tract II recorded in Volume 435, Page 472, of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 148.5 acre tract of land described by metes and bounds as follows:

COMMENCING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Page 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T., being the Southwest corner of the remainder of a called 101.25 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of a called 691.822 acre tract of land described in an instrument recorded to Spencewood, Inc. recorded in Volume 194, Page 893, O.P.R.C.C.T.,

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." found in the center of an old tree stump with wire for the Northwest corner and POINT OF BEGINNING of the herein described tract;

THENCE, North 79° 42' 13" East, along and with the North line of said 70.83 acre Tract 2 same being the South line of said 101.25 acre tract, and the South line of a called 78.962 acre tract of land described in an instrument to David L. Pittman recorded in Volume 35, Page 339, O.P.R.C.C.T., a distance of 3,290.86 feet to a 3/8-inch iron rod found on the West line of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T., being the Northeast corner of the herein described tract;

THENCE, South 10° 12' 23" East, along and with the West line of said 118.357 acre tract same being the East lines of said 70.83 acre Tracts I and II, a distance of 1,931.74 feet to a 3/8-inch iron rod found on the North line of a called 181.790 acre tract of land described as Tract 2 in an instrument to Spencewood Inc., recorded in Volume 503, Page 764, O.P.R.C.C.T., and marking the Southeast corner of said 70.83 acre Tract I and the herein described tract;

THENCE, South 78° 21' 12" West, along and with the South line of said 70.83 acre Tract I same being the North lines of said 181.790 acre tract and said 691.822 acre tract, a distance of 3,275.62 feet to a 10-inch Cedar Post found marking the Southwest corner of said 70.83 acre Tract I and the herein described tract;

THENCE, North 10° 40' 13" West, along and with an East line of said 691.822 acre tract and the West lines of said 70.83 acre Tracts I and II, a distance of 2,038.96 feet to POINT OF BEGINNING and containing 148.5 acres of land.

GENERAL NOTES:

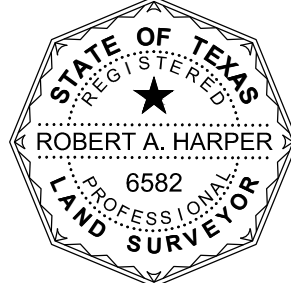
- BEARING ORIENTATION IS BASED UPON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE 4204, NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. MEASUREMENTS ARE IN U.S. SURVEY FEET. DISTANCES AND COORDINATES SHOWN HEREON ARE IN SURFACE AND MAY BE CONVERTED TO GRID BY USING THE COMBINED ADJUSTMENT FACTOR OF 1.00013.
- THIS SURVEY WAS MADE IN RELIANCE UPON THAT CERTAIN COMMITMENT FOR TITLE INSURANCE ISSUED BY FIRST AMERICAN TITLE INSURANCE COMPANY UNDER G.F. NO. 1002-402927-RTT, DATED EFFECTIVE FEBRUARY 1, 2025 AND ISSUED ON FEBRUARY 26, 2025.
- PROPERTY LIES IN ZONE "A" AND UNSHADED ZONE "X" AS DELINEATED ON THE FLOOD INSURANCE RATE MAP FOR CALDWELL COUNTY, TEXAS AND INCORPORATED AREAS, MAP NO. 48055C0120E, EFFECTIVE DATE JUNE 19, 2012. FLOODLINES SHOWN HEREON WERE OBTAINED FROM THE FEMA GIS DATASET.
- A METES AND BOUNDS DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS SURVEY.
- FIELD WORK WAS COMPLETED ON JUNE 20, 2025.



TO HILLWOOD ENTERPRISES, L.P., A TEXAS LIMITED PARTNERSHIP, AND FIRST AMERICAN TITLE:

I, ROBERT A. HARPER, A REGISTERED PROFESSIONAL LAND SURVEYOR OF THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THIS SURVEY SUBSTANTIALLY COMPLIES WITH THE CURRENT TEXAS SOCIETY OF PROFESSIONAL SURVEYORS MANUAL OF PRACTICE REQUIREMENTS FOR A CATEGORY 1A, CONDITION 3, LAND TITLE SURVEY. THE FIELDWORK WAS COMPLETED ON THE 20TH DAY OF JUNE, 2025 UNDER MY DIRECT SUPERVISION.

DATED THIS THE 23RD DAY OF JUNE, 2025.



PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ROBERT A. HARPER, RPLS NO. 6582
SUMMIT GEOMATICS, INC.
TEL: (210) 971-4870
RHARPER@SUMMIT-GEOMATICS.COM



SUMMIT GEOMATICS, INC.
4603 N STAHAL PARK SUITE 103
SAN ANTONIO, TEXAS 78217
Tel: 210-971-4870 | summit-geomatics.com
TBPELS FIRM NO. 10194657

CATEGORY 1A, CONDITION 2
LAND TITLE SURVEY OF
148.5 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
CALDWELL COUNTY, TEXAS

SCALE: 1"=200' JOB NO.: 25.0125 DATE: 06/23/2025 SHEET: 1 OF 1

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion regarding temporary staging area easements with Guadalupe-Blanco River Authority (GBRA) at the Cesar Chavez elevated storage tank site on SH130 and the Lockhart Water Treatment Plant located on Old McMahan Road for the Carrizo Groundwater Supply TX-130 Project.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The Carrizo Groundwater Supply Project TX-130 Expansion, aims to add another 9,000 acre-feet/year to the existing Carrizo Groundwater Supply Project. This expansion includes enhancements to existing infrastructure and new improvements such as a booster pump station (to be located off Silent Valley Road near Stueve Lane), and piping to northwestern Caldwell County. The expansion will serve Camino Real, County Line SUD, and Maxwell SUD. The project will also include the construction of the second delivery point tap, to be located at the Cesar Chavez elevated storage tank. The new delivery point will have the capability to receive all or some of the annual 3,000 acre-feet of water the City of Lockhart will receive from the Carrizo Groundwater Supply Project.

To advance the project, GBRA has requested two temporary staging areas to be used for materials and equipment for the project. The two areas consist of the land located to the east of the Cesar Chavez EST and an area at the rear of the Water Treatment Plant. The duration of the temporary easements would be until September 30, 2026 for the Water Treatment Plant site and until March 31, 2027 for the Cesar Chavez EST site. The City would maintain access to the sites and retain normal/regular utility operations during the temporary staging for the project. Portions of the project have already begun, including the construction of the booster pump station, the dedication of the easements for the second delivery point, along with the engineering evaluation that is underway to connect to the secondary delivery point.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

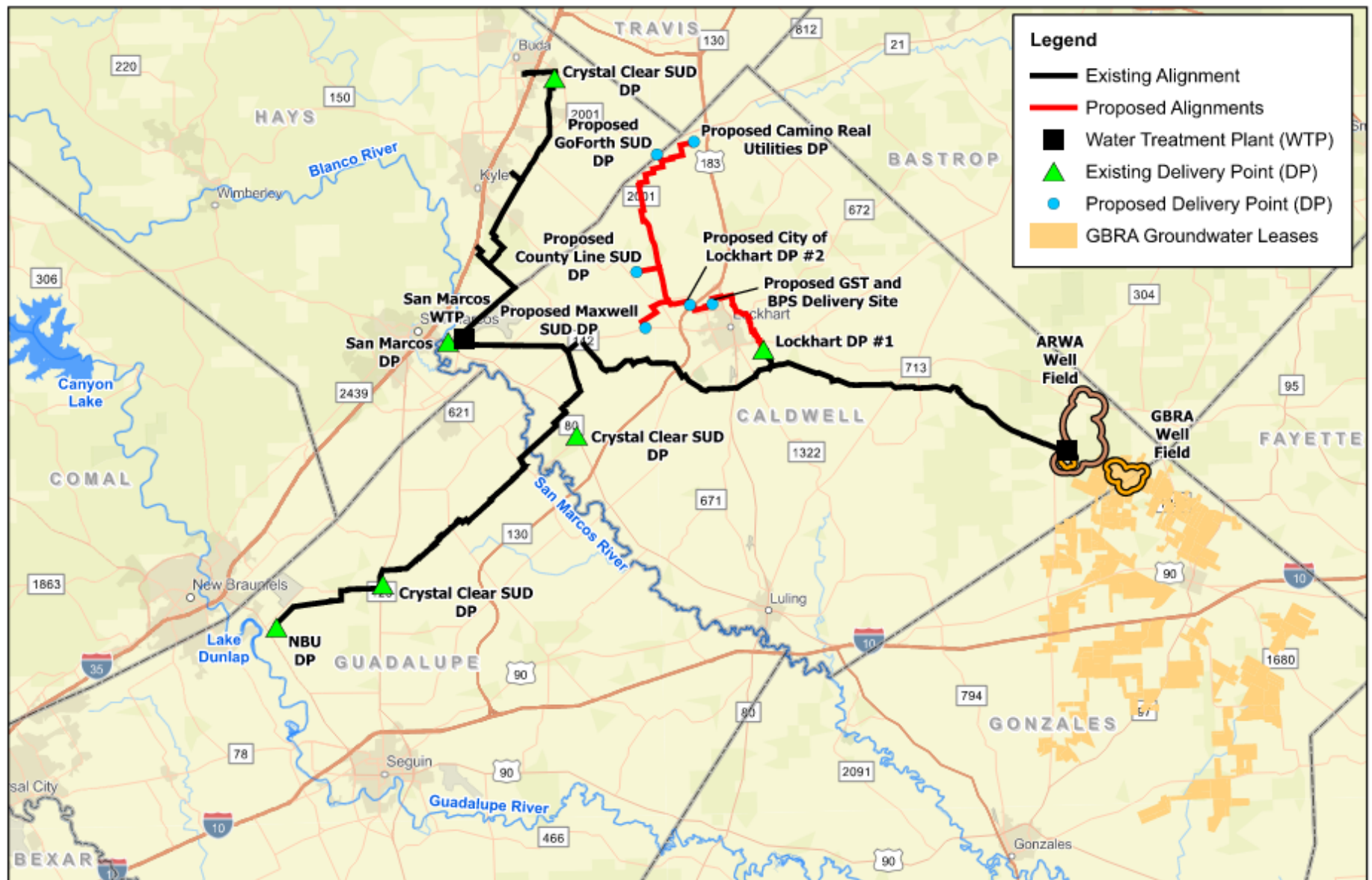
City of Lockhart, Texas

Council Agenda Item Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the temporary staging easements at the Cesar Chavez EST and the Lockhart Water Treatment Plant.

LIST OF SUPPORTING DOCUMENTS: CGSP TX-130 Project Map, GBRA ER Temp Staging Area Easement, GBRA NR Temp Staging Area Easement



TEMPORARY STAGING AREA AND MATERIAL STORAGE SITE EASEMENT

STATE OF TEXAS §
§
COUNTY OF CALDWELL §

CITY OF LOCKHART, whose mailing address is P.O BOX 239, LOCKHART, CALDWELL County, Texas 78644, , (called “**Grantors**”), whether one or more), in consideration of One Dollar and other good and valuable consideration to Grantors in hand paid by Guadalupe-Blanco River Authority, the receipt and sufficiency of which is acknowledged, have this day **GRANTED AND CONVEYED**, and by these presents do **GRANT AND CONVEY**, unto Guadalupe-Blanco River Authority situated in the County of Comal and whose address is 2225 E. Common St., New Braunfels, Texas, Comal County, Texas 78130, a temporary easement to stage and to place and store materials and equipment for the Carrizo Groundwater Supply TX-130 Project (“**Project**”), in, on, and across the following described land:.

That certain tract of land in Caldwell County, Texas described in **EXHIBIT "A"** attached and incorporated for all purposes, and Exhibit “B” identifying the location of the Temporary Staging Area and Material Storage Site Easement (“**Temporary Easement Tract**”).

TO HAVE AND TO HOLD the same during the Project construction period to the Guadalupe-Blanco River Authority, its successors and assigns, together with the right at any time during the Project construction period to enter all or part of the Temporary Easement Tract and a Temporary Staging Area and Material Storage Site to stage and to place and store materials and equipment and stage the Project; and upon completion of the Project remove and restore the surface of the Temporary Staging Area and Material Storage Site Easement (the "Temporary Easement") to a similar or better condition than existed prior to start of construction on the Temporary Easement Tract; Further, Grantee's right to use the Easement Property is nonexclusive. Grantor reserves access to the Temporary Easement Tract at all times when construction workers are not present; but not to interfere with the normal and/or regular operations of the site. In the event Grantor needs to access the Temporary Easement Tract while workers are present, Grantor shall notify Grantee’s contractor for access.

This Temporary Easement is effective for 16 months and ends no later than September 30, 2026. The Temporary Easement automatically terminates on the expiration date and becomes null and void. Guadalupe-Blanco River Authority, its successors and assigns, have no further rights hereunder. No written release by Guadalupe-Blanco River Authority is required or necessary.

GRANTOR does hereby bind itself, its heirs, successors, assigns and

legal representatives to warrant and forever defend all and singular the above described easement and rights unto the Guadalupe-Blanco River Authority, its successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Executed on _____, 2025.

GRANTOR:
City of Lockhart

By: _____
NAME: _____
TITLE: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared _____, in the capacity as _____ of the City of Lockhart and known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he / she executed the same for the purposes and consideration therein expressed and in the capacity there stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this _____ day of _____, 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

ACCEPTED:

GUADALUPE-BLANCO RIVER AUTHORITY

By: _____
Darrell Nichols
General Manager/CEO

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF COMAL §

BEFORE ME, the undersigned authority, on this day personally appeared Darrell Nichols, General Manager/CEO of the Guadalupe-Blanco River Authority, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of
_____ 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

PLEASE RETURN RECORDED ORIGINAL TO:
Guadalupe-Blanco River Authority
2225 E. Common St.
New Braunfels, Texas 78130

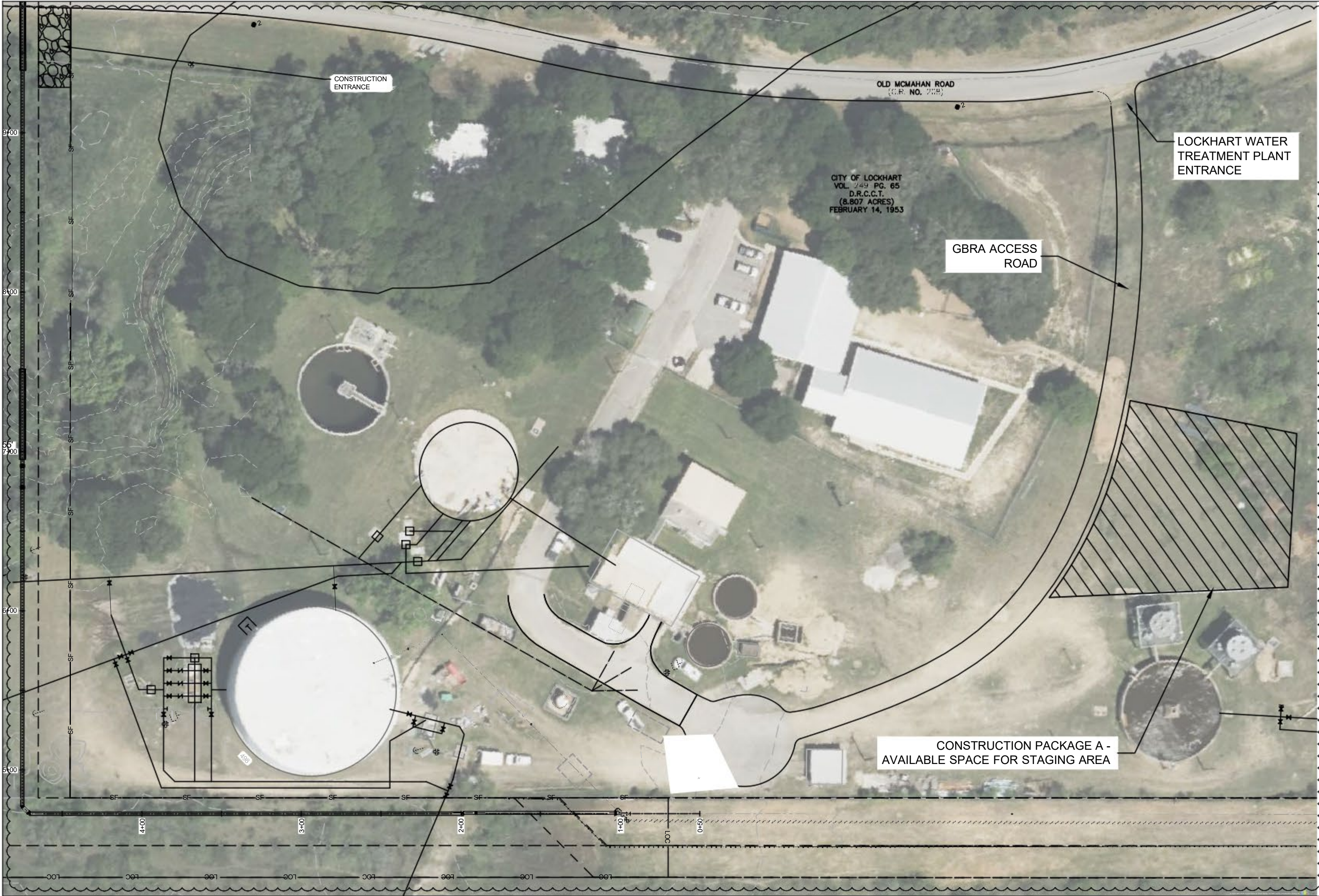
ATTN: General Manager/CEO

EXHBIT "A"

8.807 acres of land out of the James George League in Caldwell County, Texas as described in Deed dated February 14, 1953, from Elton B. Sanders and wife, Dorothy E. Sanders to the City of Lockhart and recorded in Volume 249, Page 65, Deed Records of Caldwell County, Texas.

EXHBIT "B"

LOCATION OF TEMPORARY EASEMENT TRACT



NOTE:
1. CONTRACTORS WILL BE RESPONSIBLE FOR SECURING STAGING AREA, AND COORDINATING WITH LOCKHART WTP STAFF ON SECURITY, ACCESS, AND MOBILITY AROUND THE SITE SO AS NOT TO IMPEDE ANY ONGOING WORK.



CALL BEFORE YOU DIG!
TEXAS 811
811
THE LONE STAR NOTIFICATION COMPANY
AT 1-800-669-8344

HDR
Texas P.E. Firm
Registration No. F-754

ISSUE	DATE	DESCRIPTION
B	04/04/2025	ISSUED FOR ADDENDUM #1
A	01/24/2025	ISSUED FOR BID

PROJECT MANAGER	S. E. MABROUK
DESIGNED BY	S. E. MABROUK
DESIGNED BY	--
DRAWN BY	J. A. CANTU
DRAWN BY	--
CHECKED BY	D. W. APPELEGATE
PROJECT DATE	JANUARY 2025
PROJECT NUMBER	10350654



GUADALUPE - BLANCO
RIVER AUTHORITY
CONSTRUCTION PACKAGE A
CARRIZO GROUNDWATER
SUPPLY PROJECT (CGSP)
TX-130 EASTERN PIPELINE



CIVIL
SITE
AVAILABLE STAGING AREA

FILENAME 02C-07.dwg
SCALE 1" = 30'

SHEET
02C-07



TEMPORARY STAGING AREA AND MATERIAL STORAGE SITE EASEMENT

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

CITY OF LOCKHART, TEXAS whose mailing address is P.O BOX 239, LOCKHART, CALDWELL County, Texas 78644, (called "**Grantors**"), whether one or more), in consideration of One Dollar and other good and valuable consideration to Grantors in hand paid by Guadalupe-Blanco River Authority, the receipt and sufficiency of which is acknowledged, have this day **GRANTED AND CONVEYED**, and by these presents do **GRANT AND CONVEY**, unto Guadalupe-Blanco River Authority situated in the County of Comal and whose address is 2225 E. Common St., New Braunfels, Texas, Comal County, Texas 78130, a temporary easement to stage and to place and store materials and equipment for the Carrizo Groundwater Supply TX-130 Project ("**Project**"), in, on, and across the following described land:.

That certain tract of land in Caldwell County, Texas described in **EXHIBIT "A"** attached and incorporated for all purposes and shown on **Exhibit "B"** ("**Temporary Easement Tract**").

TO HAVE AND TO HOLD the same during the Project construction period to the Guadalupe-Blanco River Authority, its successors and assigns, together with the right at any time during the Project construction period to enter all or part of the Temporary Easement Tract and a Temporary Staging Area and Material Storage Site to stage and to place and store materials and equipment and stage the Project; and upon completion of the Project remove and restore the surface of the Temporary Staging Area and Material Storage Site Easement (the "Temporary Easement") to a similar or better condition than existed prior to start of construction on the Temporary Easement Tract; Further, Grantee's right to use the Easement Property is nonexclusive. Grantor reserves access to the Temporary Easement Tract at all times when construction workers are not present; but not to interfere with the normal and/or regular operations of the site. In the event Grantor needs to access the Temporary Easement Tract while workers are present, Grantor shall notify Grantee's contractor for access.

This Temporary Easement is effective for 21 months and ends no later than March 31, 2027. The Temporary Easement automatically terminates on the expiration date and becomes null and void. Guadalupe-Blanco River Authority, its successors and assigns, have no further rights hereunder. No written release by Guadalupe-Blanco River Authority is required or necessary.

GRANTOR does hereby bind itself, its heirs, successors, assigns and legal representatives to warrant and forever defend all and singular the above described easement and rights unto the Guadalupe-Blanco River Authority, its successors, and

assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Executed on _____, 2025.

GRANTOR:
City of Lockhart, Texas

By: _____
NAME: _____
TITLE: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared _____, in the capacity as _____ of the City of Lockhart, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he / she executed the same for the purposes and consideration therein expressed and in the capacity there stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

ACCEPTED:

GUADALUPE-BLANCO RIVER AUTHORITY

By: _____
Darrell Nichols
General Manager/CEO

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF COMAL §

BEFORE ME, the undersigned authority, on this day personally appeared Darrell Nichols, General Manager/CEO of the Guadalupe-Blanco River Authority, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of
_____ 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

PLEASE RETURN RECORDED ORIGINAL TO:

**Guadalupe-Blanco River Authority
2225 E. Common St.
New Braunfels, Texas 78130**

ATTN: General Manager/CEO

EXHBIT "A"

Lot 1, Block 1, Spillmann Subdivision, a subdivision of record in Cabinet C, Slide 108, Plat Records of Caldwell County, Texas, said Lot 1 conveyed to City of Lockhart, Texas by Special Warranty Deed dated June 19, 2018, as recorded in Document No. 2018-003421, Official Public Records, Caldwell County, Texas.

EXHBIT "B"

LOCATION OF TEMPORARY EASEMENT TRACT



CITY OF LOCKHART
DELIVERY POINT
(PACKAGE B)

AREA FOR STAGING

24" NORTHERN
PIPELINE

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss amending the Interlocal Agreement between Capital Area Rural Transportation System (CARTS) and the City of Lockhart.

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 to support operating costs incurred for providing transit services in the Lockhart area.

During the July 15th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. This includes the addition of a third vehicle added to the CARTS Now fleet that services the Lockhart zone and updates on a future transit station. Mr. Marsh advised CARTS will apply for TxDOT grant funding in the first quarter of 2026 to complete the design of the future transit station. The final location, design, and construction timeline would occur over a 2-3 year period, if the grant funding application is successful.

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:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Given the high level of local use of this service and CART's contemplated investment of a multi-modal station in Lockhart, an increase to \$40,000 would be appropriate.

LIST OF SUPPORTING DOCUMENTS: Second Addendum to ILA with CARTS, CARTS-City of Lockhart Interlocal Agreement

**SECOND 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, 2026; 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 \$40,000.00; 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, in consideration 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, 2026, unless terminated earlier in accordance with applicable provisions herein. After September 30, 2026, 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 Forty Thousand and No/100 Dollars (\$40,000.00). The payment schedule for the City’s payment of the lump sum amount under this Agreement shall be made by the City to CARTS on January 30, 2026.

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

IN WITNESS WHEREOF, the parties hereto have executed this Second Addendum to the Interlocal Cooperation Agreement as of the ____ day of August 2025.

CITY OF LOCKHART, TEXAS

By _____
Lew White
Mayor, City of Lockhart

ATTEST:

By _____
Julie Bowermon,
City Secretary, City of Lockhart

APPROVED AS TO FORM:

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

**CAPITAL AREA RURAL
TRANSPORTATION SYSTEM**

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

**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.
- 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

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 By: Monte Akers
JULIE BOWEAMON, City Secretary 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

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss Ordinance 2025-15 authorizing the issuance of the Series 2025 Certificates of Obligation.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Ordinance

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 found 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 Ordinance 2025-15.

LIST OF SUPPORTING DOCUMENTS: Ordinance 2025-15

ORDINANCE NO. 2025-15

**ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF LOCKHART,
TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION,
SERIES 2025; AUTHORIZING THE LEVY OF AN AD VALOREM TAX AND THE
PLEDGE OF CERTAIN REVENUES IN SUPPORT OF THE CERTIFICATES;
APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR
AGREEMENT AND OTHER AGREEMENTS RELATING TO THE SALE AND
ISSUANCE OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS
RELATED TO THE ISSUANCE OF THE CERTIFICATES**

Adopted on August 5, 2025

ORDINANCE NO. 2025-15

ORDINANCE AUTHORIZING THE ISSUANCE OF \$_____ CITY OF LOCKHART, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025; AUTHORIZING THE LEVY OF AN AD VALOREM TAX AND THE PLEDGE OF CERTAIN REVENUES IN SUPPORT OF THE CERTIFICATES; APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND OTHER AGREEMENTS RELATING TO THE SALE AND ISSUANCE OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE CERTIFICATES

WHEREAS, the City Council of the City of Lockhart, Texas (the "City") deems it advisable to issue certificates of obligation in the amount of \$_____ (the "Certificates") and finds that the payment in whole or in part of contractual obligations are incurred or to be incurred for improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services in connection therewith including fiscal and engineering fees and the costs of issuing the certificates of obligation related thereto; and

WHEREAS, the Certificates hereinafter authorized and designated are to be issued and delivered for cash pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended, and Section 1502.052, Texas Government Code, as amended; and

WHEREAS, the City Council (the "City Council") of the City of Lockhart, Texas (the "City"), by resolution adopted on May 20, 2025, directed publication of notice of the City's intention to issue certificates of obligation in an aggregate principal amount not to exceed \$20,000,000 for the purposes hereinafter set forth; and

WHEREAS, the notice was published on May 29, 2025 and June 5, 2025 in the *Lockhart Post-Register*, a newspaper of general circulation in the City and a "newspaper" as defined in Section 2051.044, Government Code and posted on the City's website continuously since March 14, 2025; and

WHEREAS, on July 15, 2025 delayed the sale of the Certificates to their August 5, 2025 meeting date in order to comply with the legally required posting requirements and provide Council additional time to consider the issuance; and

WHEREAS, there has not been filed with the City Secretary or any other officer of the City a petition protesting the issuance of such certificates of obligation and requesting an election on the same; and

WHEREAS, it is affirmatively found and determined that the City is authorized to proceed with the issuance and sale of such certificates of obligation as authorized by the Constitution and

laws of the State of Texas, including, particularly, Chapter 271, Texas Local Government Code, as amended, and Chapter 1502, Texas Government Code, as amended; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. Ch. 551; Now, Therefore

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

ARTICLE I
DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definition

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

"Certificate" means any of the Certificates.

"Certificates" means the City's certificates of obligation entitled "City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025" authorized to be issued by Section 3.01 of this Ordinance.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

"Construction Fund" means the construction fund established by Section 8.01(a) of this Ordinance.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificates.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in Austin, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means any broker, dealer, bank, trust company, clearing corporation or certain other organizations with Certificates credited to an account maintained on its behalf by DTC.

"Event of Default" means any Event of Default as defined in Section 10.01 of this Ordinance.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Initial Certificate" means the Certificate described in Section 3.04(d) and 6.02.

"Interest and Sinking Fund" means the interest and sinking fund established by Section 8.01(a) of this Ordinance.

"Interest Payment Date" means the date or dates upon which interest on the Certificates is scheduled to be paid until the maturity of the Certificates, such dates being February 1 and August 1 of each year commencing February 1, 2026.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" means this Ordinance.

"Original Issue Date" means the initial date from which interest on the Certificates accrues and which is designated in Section 3.02(a) of this Ordinance.

"Owner" means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means BOKF, NA dba Bank of Texas, any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

"Purchaser" means the person, firm or entity initially purchasing the Certificates from the City and which is designated in Section 7.01 of this Ordinance.

"Record Date" means the 15th day of the month next preceding an Interest Payment Date.

"Register" means the Register specified in Section 3.06(a) of this Ordinance.

"Representation Letter" means the Blanket Issuer Letter of Representations with respect to the Certificates and other obligations of the City, between the City and DTC.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Special Payment Date" means the Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

"Special Record Date" means the new record date for interest payment established in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b) of this Ordinance.

"Surplus Revenues" means the revenues of the City's water and wastewater system, available after deduction of the reasonable expenses of said System and the payment of all debt service, reserve and other requirements with respect to all of the City's revenue bonds and other obligations, now outstanding or hereafter issued, that are payable in whole or in part from a pledge of all or part of the revenues of such System.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Certificates as the same become due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity, and remaining unclaimed for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions.

The terms "City Council" and "City" shall have the meanings assigned in the preamble to this Ordinance.

Section 1.03. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

ARTICLE II SECURITY FOR THE CERTIFICATES

Section 2.01. Tax Levy for Payment of the Certificates.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Certificates, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Certificates, being (i) the interest on the Certificates and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Certificates or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Certificates, and the tax shall not be diverted to any other purpose.

Section 2.02. Revenue Pledge.

The Certificates are additionally secured by and shall be payable from a limited pledge of the Surplus Revenues of the City's water and wastewater system not to exceed \$1,000.

ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas in the

aggregate principal amount of \$ _____ for the purpose of paying contractual obligations incurred or to be incurred for improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services in connection therewith including fiscal and engineering fees and the costs of issuing the certificates of obligation related thereto.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Certificates shall be dated August 14, 2025 and have an Original Issue Date of August 14, 2025, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar.

(b) The Certificates shall mature on August 1 in the years and in the principal amounts and interest rates set forth below, interest on each Certificate accruing from the Original Issue Date or the most recent Interest Payment Date to which interest has been paid or provided for at the per annum rates of interest, payable semiannually on February 1 and August 1 of each year commencing February 1, 2026, until the principal amount shall have been paid or provision for such payment shall have been made, as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>RATE</u>	<u>YEAR</u>	<u>AMOUNT</u>	<u>RATE</u>
2027	\$	%	2042	\$	%
2028			2043		
2029			2044		
2030			2045		
2031			2046		
2032			2047		
2033			2048		
2034			2049		
2035			2050		
2036			2051		
2037			2052		
2038			2053		
2039			2054		
2040			2055		
2041					

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of, premium, if any, and interest on the Certificates shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Certificates shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Certificates shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment by United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the person in whose name such Certificate is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Certificates is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed for three years after the applicable payment or redemption date shall be paid by the Paying Agent/Registrar to the City, to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to any applicable escheat, abandoned property, or similar law.

Section 3.04. Execution and Initial Registration.

(a) The Certificates shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the

official seal of the City had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution by an officer or duly authorized representative of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of the Certificates, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser one registered definitive Certificate for each year of maturity of the Certificates in the aggregate principal amount of all Certificates for such maturity, registered in the name of Cede & Co., as nominee for DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Certificates in safekeeping for DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Certificate is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Certificate in

accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Certificates remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Ordinance.

(b) Registration of any Certificate may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Certificates, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Certificate or any portion thereof registered in the name of such assignee or assignees. No transfer of any Certificate shall be effective until entered in the Register. Upon assignment and transfer of any Certificate or portion thereof, a new Certificate or Certificates will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Certificate. To the extent possible the Paying Agent/Registrar will issue such new Certificate or Certificates in not more than three business days after receipt of the Certificate to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Certificate may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Certificate or Certificates of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Certificate presented for exchange. If a portion of any Certificate is redeemed prior to its scheduled maturity as provided herein, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Certificate or Certificates shall be delivered by the Paying Agent/Registrar to the Owner of the Certificate or Certificates in not more than three business days after receipt of the Certificate to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Certificate issued in exchange for any Certificate or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Certificate for which it is being exchanged. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate. The Paying Agent/Registrar shall convert and exchange the Certificates as provided herein, and each substitute Certificate delivered in accordance with this Section shall constitute an original contractual obligation of the City and

shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such substitute Certificate is delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Certificates, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Certificate. In addition, the City hereby covenants with the Owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Certificates, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Certificates as provided herein.

(f) Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Certificate.

Section 3.07. Cancellation and Authentication.

(a) All Certificates paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be canceled and destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Certificates.

(b) Each substitute Certificate issued pursuant to the provisions of Sections 3.06 and 3.08 of this Ordinance, in conversion of and exchange for or replacement of any Certificate or Certificates issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, manually sign and date such Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed herein. Pursuant to Title 9, Tex. Gov't Code Ann., as amended, and particularly Chapter 1201, Subchapter D thereof, the duty of conversion and exchange or replacement of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the converted and exchanged or replaced Certificates shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Certificate which was originally delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Certificates issued in conversion and exchange or replacement of any other Certificate or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) shall be payable as to principal of and interest, all as provided, and in the manner required or indicated, in the Form of Certificates set forth in this Ordinance.

Section 3.08. Replacement Certificates.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

Section 3.09. Book-Entry-Only System.

(a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a Certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to

the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The execution and delivery of the Representation Letter is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Certificates.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.11. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representation Letter.

**ARTICLE IV
REDEMPTION OF CERTIFICATES BEFORE MATURITY**

Section 4.01. Limitation on Redemption.

The Certificates shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02. Redemption of Certificates Prior to Maturity

(a) The City reserves the option to redeem the Certificates maturing on and after August 1, 2035, in whole or from time to time in part, before their scheduled maturity date, on August 1, 2034, or on any date thereafter (such redemption date or dates to be fixed by the City)

at a price equal to the principal amount of the Certificates called for redemption plus accrued interest from the most recent interest payment date on which interest has been paid or duly provided for to the redemption date.

(b) The City, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Certificates to be redeemed.

Section 4.03. Partial Redemption.

(a) If less than all of the Certificates are to be redeemed pursuant to Section 4.02, the City shall determine the maturities and amounts thereof to be redeemed and shall direct the Paying Agent/Registrar (or DTC or a successor securities depository, as applicable, if the Certificates are in Book-Entry-Only form) to call by lot Certificates, or portions thereof within such maturity and in such principal amounts, for redemption.

(b) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(c) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06, shall authenticate and deliver in exchange a Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Certificate as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City sufficient to pay the redemption price of such Certificates.

(b) Upon presentation and surrender of any Certificate called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the redemption price of such Certificate to the date of redemption from the money set aside for such purpose.

Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04, the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the redemption price thereof, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If any Certificate or portion thereof called for redemption is not so paid upon presentation and surrender of such Certificate for redemption, such Certificate or portion thereof shall continue to bear interest at the rate stated on the Certificate until paid or until due provision is made for the payment of same.

Section 4.07. Conditional Notice of Redemption.

With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by this have been met and the moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

ARTICLE V PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The City hereby appoints BOKF, NA dba Bank of Texas, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar has agreed to maintain a copy of the Register at its offices, or the office of its agent, located in Austin, Texas.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in this Ordinance.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, specifying the duties and responsibilities of the City and the Paying Agent/Registrar, is hereby approved with such changes as may be approved by the Mayor of the City, and the Mayor and City Secretary of the City are hereby authorized to execute such agreement.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination.

The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided that no such termination shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

ARTICLE VI FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The Certificates shall be printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof, except that the Initial Certificate submitted to the Attorney General of Texas, the definitive Certificates delivered to DTC and any temporary Certificates may be typewritten or photocopied or otherwise produced.

Section 6.02. Form of Certificates.

The form of Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

FORM OF CERTIFICATE

NO. R-	UNITED STATES OF AMERICA	PRINCIPAL
	STATE OF TEXAS	AMOUNT
	COUNTY OF CALDWELL	\$ _____
	CITY OF LOCKHART, TEXAS	
	COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION	
	SERIES 2025	

INTEREST	DATE OF	MATURITY	
<u>RATE</u>	<u>CERTIFICATE</u>	<u>DATE</u>	<u>CUSIP NO.</u>
	August 14, 2025		

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the CITY OF LOCKHART, in Caldwell County, Texas (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from the Date of Certificate semiannually on each February 1 and August 1 of each year commencing on February 1, 2026, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Certificate is required to be authenticated and the date of its authentication after any Record Date (hereinafter defined) but on or before the next following interest payment date, in which case such principal amount shall bear

interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged or converted from is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at BOKF, NA, Dallas, Texas, which is the "Paying Agent/Registrar" for this Certificate at their office in Houston, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Certificate (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the close of business on the last business day of the month next preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

DURING ANY PERIOD in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

ANY ACCRUED INTEREST due at maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Certificate that on or before each payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the

Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a series of Certificates dated August 14, 2025, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING CONTRACTUAL OBLIGATIONS INCURRED OR TO BE INCURRED FOR IMPROVING, CONSTRUCTING, EQUIPPING, ACQUIRING, OR DESIGNING THE CITY'S: (1) PARKS AND RECREATION FACILITIES, TO INCLUDE AN AQUATICS CENTER, RECREATION CENTER AND IMPROVING LIONS PARK; (2) PUBLIC SAFETY FACILITIES, INCLUDING THE ACQUISITION OF LAND FOR POLICE AND FIRE FACILITIES; (3) EXISTING ADMINISTRATION BUILDING; AND (4) THE PAYMENT OF PROFESSIONAL SERVICES IN CONNECTION THEREWITH INCLUDING FISCAL AND ENGINEERING FEES AND THE COSTS OF ISSUING THE CERTIFICATES OF OBLIGATION RELATED THERETO.**

ON AUGUST 1, 2034, or on any date thereafter, the Certificates of this Series maturing on and after August 1, 2035 may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities, or sinking fund installments in the case of Term Certificates, to be redeemed shall be selected and designated by the City and if less than all of a maturity, or sinking fund installments in the case of Term Certificates, is to be redeemed, the Paying Agent/Registrar shall determine by lot or other customary random method the Certificates, or a portion thereof, within such maturity, or sinking fund installments in the case of Term Certificates, to be redeemed (provided that a portion of a Certificate may be redeemed only in an integral multiple of \$5,000).

[THE CERTIFICATES maturing on August 1 in the years 20__ and 20__ (the "Term Certificates") are subject to mandatory sinking fund redemption prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

Term Certificates Maturing on August 1, 20__ *

<u>Redemption Date</u>	<u>Principal Amount</u>
August 1, 20__	\$
August 1, 20__	\$

*Final Maturity

Term Certificates Maturing on August 1, 20__*

<u>Redemption Date</u>	<u>Principal Amount</u>
August 1, 20__	\$
August 1, 20__	\$

*Final Maturity

THE PRINCIPAL AMOUNT of the Term Certificates required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City by the principal amount of any Term Certificates of the stated maturity which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the City, at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City with monies in the Interest and Sinking Fund at a price not exceeding the principal amount of the Term Certificates plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]

NO LESS THAN 30 days prior to the date fixed for any optional redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Certificate to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Certificates. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificates shall be redeemed a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

WITH RESPECT TO any optional redemption of the Certificates, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or

prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered Certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate, or any unredeemed portion hereof, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Certificates, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange during the period commencing on the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates.

IT IS HEREBY certified, recited, and covenanted that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law and a subordinate lien limited pledge of the surplus revenues of the City's water and wastewater system, which amount shall not exceed \$1,000.

BY BECOMING the Registered Owner of this Certificate, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Certificate and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Clerk of said City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Certificate.

City Secretary, City of Lockhart, Texas

Mayor, City of Lockhart, Texas

[CITY SEAL]

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate is not accompanied by an
executed Registration Certificate of the Comptroller
Public Accounts of the State of Texas)

This is one of the Certificates referred to in the within mentioned Ordinance. The series of Certificates of which this Certificate is a part was originally issued as one Initial Certificate which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

BOKF, NA
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer Identification Number of Transferee

Please print or typewrite name and address, including zip code, of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

INITIAL CERTIFICATE INSERTIONS

The Initial Certificate shall be in the form set forth in this Section, except that:

A. Immediately under the name of the Certificates, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and "CUSIP NO." shall be deleted.

B. The first paragraph shall be deleted and the following will be inserted:

"ON THE DATE SPECIFIED BELOW, the City of Lockhart, Texas (the "City"), being a political subdivision, hereby promises to pay the annual installments set forth below to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on _____ in each of the years, in the principal installments in the following schedule and bearing interest at the per annum rate stated above:

Year

Principal Amount

Interest Rates

(Information from Section 3 to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Closing Date at the respective Interest Rate per annum specified above. Interest is payable on _____, and semiannually on each _____ and _____ thereafter to the date of payment of the principal installment specified above; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

C. The Initial Certificate shall be numbered "T-1."

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Certificate in lieu of the Certificate of Paying Agent/Registrar:

FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers

on the Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Municipal Bond Insurance.

If municipal bond guaranty insurance is obtained with respect to the Certificates, the Certificates, including the Initial Certificate, may bear an appropriate legend, as provided by the insurer.

**ARTICLE VII
SALE OF THE CERTIFICATES; CONTROL
AND DELIVERY OF THE CERTIFICATES**

Section 7.01. Sale of Certificates, Official Statement.

(a) The Certificates are hereby sold and shall be delivered to the bidder whose bid produced the lowest net effective interest rate, pursuant to the taking of public bids therefor, on this date, and shall be delivered to _____ (the "Purchaser") at a price of \$ _____ representing the par amount of \$ _____ plus a reoffering premium of \$ _____ and less an underwriter's discount of \$ _____. The City will initially deliver to the Purchaser the Certificates authorized under this Ordinance. The Certificates shall initially be registered in the name of Cede & Co.

(b) The form and substance of the Official Statement for the Certificates and any addenda, supplement or amendment thereto (the "Official Statement") presented to and considered at this meeting, is hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby confirmed as deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, by the City Council. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and deliver appropriate numbers of executed copies thereof to the Purchaser of the Certificates. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Purchaser of the Certificates, may be used by the Purchaser in the public offering and sale thereof. The use and distribution of the Official Statement in the public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed. The City Secretary of the City is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement for the Certificates and the preliminary public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed.

(c) All officers of the City are authorized to execute such documents, certificates and receipts as they may deem appropriate in order to consummate the delivery of the Certificates.

(d) All officers of the City are authorized to do any and all things to execute and deliver any and all documents, certificates or other instruments necessary or required for the issuance of any policy or policies of municipal bond insurance relating to the Certificates. The ordinance requirements and accompanying commitments for such insurance are hereby approved and made a part of this Ordinance by reference. To the extent permitted by applicable law, the City will comply with all notice and other applicable requirements of the insurer issuing the municipal bond insurance policy and financial guaranty insurance in connection with the issuance of the Certificates, as such requirements may be in the effect and transmitted to Bond Counsel with such insurer's commitment to issue such insurance.

(e) The obligation of the Purchaser to accept delivery of the Certificates is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel for the City, which opinion shall be dated and delivered on the Closing Date. The engagement of such firm as bond counsel for the City in connection with the issuance, sale and delivery of the Certificates is hereby approved, ratified and confirmed.

Section 7.02. Control and Delivery of Certificates.

(a) The Mayor of the City is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State of Texas, delivery of the Certificates shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor of the City, against receipt by the City of all amounts due to the City under the terms of sale.

ARTICLE VIII CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts:

- 1) the City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025, Interest and Sinking Fund (the "Interest and Sinking Fund"); and
- 2) the City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025, Construction Fund (the "Construction Fund").

(b) The Interest and Sinking Fund and the Construction Fund shall be maintained at an official depository of the City.

Section 8.02. Interest and Sinking Fund.

a) The taxes levied and revenues pledged under Article II shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Certificates.

(b) The proceeds of the Certificates representing accrued interest on the Certificates shall be deposited to the credit of the Interest and Sinking Fund for the payment of interest on the Certificates.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Certificates as such become due and payable.

Section 8.03. Construction Fund.

(a) Money on deposit in the Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Construction Fund after the accomplishment of the purposes for which the Certificates are hereby issued, including investment earnings of the Construction Fund, shall be deposited into the Interest and Sinking Fund, unless a change in applicable law, as evidenced by an opinion of bond counsel, permits or authorizes all or any part of such funds to be used for other purposes.

Section 8.04. Security of Funds.

All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds.

(a) All amounts received on the Closing Date as accrued interest on the Certificates from the Original Issue Date to the Closing Date, and premium, if any, on the Certificates shall be deposited to the Interest and Sinking Fund.

(b) The remainder of the proceeds of the Certificates shall be deposited to the Construction Fund and used for the purposes specified in Section 3.01 hereof and for paying the costs of issuance with respect to the Certificates.

Section 8.06. Investments.

(a) Money in the funds established by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income.

Interest and income derived from investment of any fund created by this Ordinance shall be credited to such fund.

**ARTICLE IX
PARTICULAR REPRESENTATIONS AND COVENANTS**

Section 9.01. Payment of the Certificates.

While any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Certificates, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Certificate; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Covenants Regarding Tax Exemption of Interest on the Certificates.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

- 1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed

therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

- 2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;
- 3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;
- 4) to refrain from taking any action which would otherwise result in the Certificates being treated as "private activity bonds" within the meaning of section 141(b) of the Code;
- 5) to refrain from taking any action that would result in the Certificates being "federally guaranteed" within the meaning of section 149(b) of the Code;
- 6) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates, other than investment property acquired with:
 - i. proceeds of the Certificates invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Certificates are issued,
 - ii. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and
 - iii. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates;
- 7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not

otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

- 8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager or Director of Finance to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates. The Ordinance is intended to satisfy the official intent requirements set forth in Section 1.152.2 of the Treasury Regulations.

(d) Allocation Of and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 3.01 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more

than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the Certificates are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Written Procedures. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City hereby adopts and establishes the instructions attached hereto as Exhibit "A" as their written procedures for the Certificates and any other tax-exempt debt or obligation outstanding or hereafter issued.

ARTICLE X DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

- i. the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or
- ii. default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor,

may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(c) By accepting the delivery of a Certificate authorized under this Ordinance, such Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

(d) No covenant or agreement contained in the Certificates, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his or her individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Certificates shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Certificates.

ARTICLE XI DISCHARGE AND DEFEASANCE

Section 11.01. Defeasance of Certificates.

(a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding ("Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date or dates (whether such due date or dates be by

reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or a commercial bank or trust company for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or a commercial bank or trust company for the payment of its services until all Defeased Certificates shall have become due and payable or (3) any combination of (1) and (2). At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed payment of a Certificate as aforesaid when proper notice of redemption of such Certificates shall have been given, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or a commercial bank or trust company as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section which is not required for the payment of such Certificate and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Certificates and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Certificates and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section for the payment of Certificates and such Certificates shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Certificate affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Certificate to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Certificate for redemption in accordance with the provisions of the Ordinance authorizing its issuance, the City may call such Defeased Certificate for redemption upon complying with the provisions of Texas law and upon the satisfaction of the

provisions of subsection (a) immediately above with respect to such Defeased Certificate as though it was being defeased at the time of the exercise of the option to redeem the Defeased Certificate and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Certificate.

As used in this section, "Defeasance Securities" means (i) Federal Securities, and (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding certificates or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

ARTICLE XII CONTINUING DISCLOSURE UNDERTAKING

Section 12.01 Annual Reports.

(a) The City shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of any fiscal year, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 7.01(b) of this Ordinance, being the information described in Exhibit "B" hereto. Any financial statements to be so provided shall be (1) prepared in accordance with the accounting principles described in Exhibit "B" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements within such period, and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

(b) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.02. Material Event Notices.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Certificates.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holder, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and

Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with section 12.01 of this Ordinance by the time required by such section. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.03 Limitations, Disclaimers, and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 12.02 of this Ordinance that causes the Certificates no longer to be outstanding.

(b) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

(d) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

(e) Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Certificates in accordance with the Rule as amended.

(f) Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(g) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

(h) All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

(i) Financial information and operating data to be provided pursuant to Section 12.01 may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

ARTICLE XIII AMENDMENTS AND OTHER PROVISIONS

Section 13.01 Amendments.

This Ordinance shall not be amended or repealed by the City while any Certificate remains outstanding, except as permitted by this Section. The City, without the consent of or notice to any Owner, from time to time and at any time, may amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency,

or formal defect or omission herein. In addition, the City, with the written consent of Owners holding a majority in aggregate principal amount of the Certificates then outstanding affected thereby, may amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of then outstanding Certificates, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (ii) give any preference to any Certificate over any other Certificate, or (iii) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

Section 13.02. No Recourse Against City Officials

No recourse shall be had for the payment of principal of or interest on any Certificates or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificates.

Section 13.03. Further Procedures.

The officers and employees of the City are hereby authorized and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of and under the corporate seal of the City all such instruments, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Certificates, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Certificates, the Mayor, the City Manager or Director of Finance of the City, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Attorney General of Texas. In the event that any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 13.04. Severability.

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Ordinance and the application of such section, article, paragraph, sentence, clause, phrase or word to other persons and circumstances nevertheless shall be valid and enforceable; and it is hereby declared that this Ordinance would have been enacted without such invalid or unenforceable provision.

Section 13.05. Interpretations.

All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance and the Table of Contents of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Certificates and the validity of the lien on and pledge of the Pledged Revenues to secure the payment of the Certificates.

Section 13.06. Inconsistent Provisions.

All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 13.07. Interested Parties.

Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Certificates, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Certificates.

Section 13.08. Incorporation of Recitals.

The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

Section 13.09. Repealer.

This Ordinance shall become effect immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 13.10. Effective Date.

This Ordinance shall become effect immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 13.11. Perfection.

Chapter 1208, Government Code, applies to the issuance of the Certificates and the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 6 and 7 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 6 and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to

preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 13.12. Electronic Signatures.

The City's Financial Advisor, Bond Counsel and City Attorney are hereby authorized to use electronic signatures for the Mayor, the City Secretary, the Director of Finance, the City Manager or any other authorized representative of the City in connection with the offering and sale of the Certificates.

IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, finally passed, approved and effective on August 5th, 2025.

CITY OF LOCKHART, TEXAS

Mayor, City of Lockhart, Texas

ATTEST:

City Secretary, City of Lockhart, Texas

[CITY SEAL]

EXHIBIT "A"

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds, Notes, Certificates, Leases or other Obligations now or hereafter outstanding as having the interest on such debt exempt from Federal income taxes of the debt holder (the "Obligations") the Issuer's City Manager or Director of Finance (the "Responsible Person") will, as applicable to each issuance of Obligations:

- Instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Obligations will be entered into within 6 months of the Issue Date;
- Monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of any facilities are expended within 3 years of the date of delivery of the Obligations ("Issue Date");
- Restrict the yield of the investments to the yield on the Obligations after 3 years of the Issue Date;
- Monitor all amounts deposited into a sinking fund or funds, e.g., the Debt Service Fund/Bond Fund/Interest and Sinking Fund, to assure that the maximum amount invested at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12-month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period;
- Ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more;
- Assure that the maximum amount of any reserve fund for any Obligations invested at a yield higher than the yield on the Obligations will not exceed the lesser of (1) 10% of the principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations measured as of the Issue Date, or (3) 100% of the maximum annual debt service on the Obligations as of the Issue Date;
- Monitor the actions of the escrow agent (to the extent an escrow is funded with proceeds) to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;
- Maintain any official action of the Issuer (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Obligations any amount

expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;

- Ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
- Assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bonds the Responsible Person will:

- Monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- Determine whether, at any time the Obligations are outstanding, any person, other than the Issuer, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- Determine whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- Take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Order related to the public use of the facilities.

C. Record Retention. The Responsible Persons will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after

the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Persons. Each Responsible Person shall receive appropriate training regarding the Issuer's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Obligations. The foregoing notwithstanding, the Responsible Persons are authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT "B"

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Tables 1 through 5, inclusive, and 7 through 11, inclusive in the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in Appendix B to the Official Statement.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Presentation of the City of Lockhart's Fiscal Year (FY) 2025-2026 Proposed Budget and consider the Lockhart Economic Development Corporation's Budget for FY 2025-2026, and set two public hearings on the FY 2025-2026 City of Lockhart Proposed Budget.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Keeli Michna

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: 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 2025-2026 Budget. The following dates are presented to the Council for public hearings:

- August 19, 2025 at 7:30 p.m.
- September 2, 2025 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 2025-2026 can be located on the City's website and hard copies are located in City Hall and the City Library.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully request the approval of the Lockhart Economic Development Corporation's budget and of the two dates presented to Council for public hearings on the City's proposed budget.

LIST OF SUPPORTING DOCUMENTS: FYE 2026 Proposed Budget

**CITY OF LOCKHART
PROPOSED BUDGET
FISCAL YEAR 2025-26**

	FYE 2023	FYE 2024	FYE 2025 AMENDED	FYE 2025 PROPOSED
	ACTUAL	ACTUAL	BUDGET	BUDGET
REVENUE SUMMARY				
GENERAL FUND	15,428,638	16,955,018	16,036,006	17,072,870
DEBT SERVICE FUND	2,065,283	2,148,775	1,899,172	2,735,537
ELECTRIC FUND	15,378,479	12,694,915	14,107,185	14,388,100
WATER FUND	6,863,082	5,415,315	8,815,987	8,304,087
WASTEWATER FUND	5,389,513	3,413,275	3,390,060	3,566,500
SOLID WASTE FUND	2,014,232	2,178,773	220,485	2,283,014
AIRPORT FUND	122,326	148,913	179,550	197,500
LOCKHART ECO DEV FUND	1,817,686	1,879,462	1,234,140	1,969,335
TOTAL - REVENUES	49,079,239	44,834,446	45,882,585	50,516,943

					DELTA
EXPENSE SUMMARY					
GENERAL FUND	14,098,675	14,799,327	15,966,212	17,048,792	24,078
DEBT SERVICE FUND	1,662,332	373,963	1,659,937	2,600,524	135,013
ELECTRIC FUND	13,278,900	13,516,137	14,066,017	14,363,750	24,350
WATER FUND	6,682,619	7,221,586	8,759,361	7,966,886	337,201
WASTEWATER FUND	2,887,784	3,026,829	3,360,153	3,527,458	39,042
SOLID WASTE FUND	2,119,224	2,222,378	2,210,620	2,255,497	27,517
AIRPORT FUND	283,618	86,344	116,666	117,390	80,110
LOCKHART ECO DEV FUND	752,469	299,416	1,171,498	1,499,113	470,222
TOTAL - EXPENSES	41,765,621	41,545,980	47,310,464	49,379,410	

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion regarding setting the 2025 combined maintenance and operations and interest and sinking proposed property tax rate of the City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: 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 2, 2025, 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 2025 Voter Approval Rate (VAR), as prepared by the CAD, is 0.5541/\$100 assessed valuation. This rate includes the unused increment rate.

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: It is staff's recommendation that the

City of Lockhart, Texas

Council Agenda Item Cover Sheet

City Council set a tax rate for 2025; record the vote; schedule a public hearing on September 2, 2025 and announce the date, time, and location of the public hearing.

LIST OF SUPPORTING DOCUMENTS: City of Lockhart 2025 Tax Rate Calculations

**2025 NO-NEW-REVENUE AND VOTER-APPROVAL TAX RATE
INFORMATION**

CITY OF LOCKHART

	TOTAL
2024 TAX RATE	0.5093/\$100
2025 NO-NEW-REVENUE TAX RATE	0.4954/\$100
2025 VOTER-APPROVAL TAX RATE	0.5541/\$100
2025 UNUSED INCREMENT RATE	0.0000/\$100
2025 VOTER-APPROVAL RATE ADJUSTED FOR UNUSED INCREMENT RATE	0.5541/\$100
2025 DE MINIMUS TAX RATE	0.5708/\$100

SUBMITTED TO CITY OF LOCKHART THE 20th DAY OF July 2025.


SHANNA RAMZINSKI
CHIEF APPRAISER
CALDWELL COUNTY APPRAISAL DISTRICT

Received and Approval from Taxing Entity

Date

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Lockhart

(512) 398-3641

Taxing Unit Name

Phone (area code and number)

PO Box 239, Lockhart, 78644

www.lockhart-tx.org

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 1,687,057,330
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 256,382,513
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 1,430,674,817
4.	Prior year total adopted tax rate.	\$ 0.5093 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value.	
	A. Original prior year ARB values:.....	\$ 5,189,462
	B. Prior year values resulting from final court decisions:.....	- \$ 4,824,358
	C. Prior year value loss. Subtract B from A. ³	\$ 365,104
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25.	
	A. Prior year ARB certified value:.....	\$ 8,411,025
	B. Prior year disputed value:.....	- \$ 8,046,208
	C. Prior year undisputed value. Subtract B from A. ⁴	\$ 364,817
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 729,921

¹ Tex. Tax Code §26.012(14)

² Tex. Tax Code §26.012(14)

³ Tex. Tax Code §26.012(13)

⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 1,431,404,738
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 415,050
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 1,676,334 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 3,895,953 C. Value loss. Add A and B. ⁶	\$ 5,572,287
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 318,559 B. Current year productivity or special appraised value: - \$ 9,140 C. Value loss. Subtract B from A. ⁷	\$ 309,419
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 6,296,756
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 1,425,107,982
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 7,258,074
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 733
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 7,258,807
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 1,814,152,467 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ 0 C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 0 E. Total current year value. Add A and B, then subtract C and D.	\$ 1,814,152,467

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$ 95,119,981
B.	Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	+ \$ 0
C.	Total value under protest or not certified. Add A and B.	\$ 95,119,981
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 276,543,241
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 1,632,729,207
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 167,690,124
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 167,690,124
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 1,465,039,083
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.4954 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ 0.0000 /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.4067 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,431,404,738

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §26.012(6)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 5,821,523
31.	Adjusted prior year levy for calculating NNR M&O rate.	
	A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ 567	
	B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ 0	
	C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0	
	D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ 567	
	E. Add Line 30 to 31D.	\$ 5,822,090
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,465,039,083
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.3974 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³	
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.0000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴	
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose..... - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.0000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100

²³ [Reserved for expansion]²³ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵	
A.	Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose.	\$ 0
B.	Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
E.	Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.0000 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶	
A.	Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	\$ 0
B.	Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
E.	Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.0000 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
A.	Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year.	\$ 0
B.	Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.3974 /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
A.	Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$ 0
B.	Divide Line 40A by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
C.	Add Line 40B to Line 39.	\$ 0.3974 /\$100
41.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.4113 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ _____ /\$100
42.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 2,599,780 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 0 E. Adjusted debt. Subtract B, C and D from A.	\$ 2,599,780
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 220,222
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 2,379,558
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 102.00 % B. Enter the prior year actual collection rate 99.00 % C. Enter the 2023 actual collection rate 100.00 % D. Enter the 2022 actual collection rate 99.00 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	102.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 2,332,900
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,632,729,207
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.1428 /\$100
49.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 41 and 48.	\$ 0.5541 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ _____ /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.0000 /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ _____
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ _____ /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ _____ /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ _____ /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ _____
60.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ _____ /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ _____ /\$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴⁰

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴² or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴³

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.0000 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0000 /\$100
	C. Subtract B from A.....	\$ 0.0000 /\$100
	D. Adopted Tax Rate.....	\$ 0.5093 /\$100
	E. Subtract D from C.....	\$ -0.5093 /\$100
	F. 2024 Total Taxable Value (Line 60).....	\$ 1,445,982,735
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
64.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.5348 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0000 /\$100
	C. Subtract B from A.....	\$ 0.5348 /\$100
	D. Adopted Tax Rate.....	\$ 0.5348 /\$100
	E. Subtract D from C.....	\$ 0.0000 /\$100
	F. 2023 Total Taxable Value (Line 60).....	\$ 1,217,792,799
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.6007 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0228 /\$100
	C. Subtract B from A.....	\$ 0.5779 /\$100
	D. Adopted Tax Rate.....	\$ 0.6006 /\$100
	E. Subtract D from C.....	\$ -0.0227 /\$100
	F. 2022 Total Taxable Value (Line 60).....	\$ 1,039,759,915
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 0.0000
67.	2025 Unused Increment Rate. Divide Line 66 by Line 21 of the No-New-Revenue Rate Worksheet. Multiply the result by 100	\$ 0.0000 /\$100
68.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.5541 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §26.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §120.007(d)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	0.3974
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,632,729,207
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.0306 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.1428 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.5708 /\$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
75.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵⁰ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ _____ /\$100
76.	Increase in 2024 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ _____ /\$100
77.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$ _____
79.	Adjusted 2024 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵¹	\$ _____ /\$100

⁴⁴ Tex. Tax Code §26.04(c)(2)(B)

⁴⁵ Tex. Tax Code §26.012(8-a)

⁴⁶ Tex. Tax Code §26.063(a)(1)

⁴⁷ Tex. Tax Code §26.042(b)

⁴⁸ Tex. Tax Code §26.042(f)

⁴⁹ Tex. Tax Code §26.42(c)

⁵¹ Tex. Tax Code §26.42(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ _____ /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.4954 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.5541 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: 68

De minimis rate. \$ 0.5708 /\$100

If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵²

**print
here**

Vicki Schneider

Printed Name of Taxing Unit Representative

**sign
here***Vicki Schneider*

Taxing Unit Representative

7/29/2025

Date

⁵² Tex. Tax Code §§26.04(c-2) and (d-2)

Date submitted: 07/29/2025

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion regarding First Addendum to Professional Services Agreement of Municipal Court Presiding Judge regarding a salary adjustment.

ORIGINATING DEPARTMENT AND CONTACT: Council - Mayor Lew White

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Pursuant to City Charter, Section 4.04, the City Council appoints the Presiding Judge. On September 20, 2022, City Council appointed Robert A. Haedge to serve as the Presiding Judge and authorized a professional services agreement detailing the terms and expectations of the appointment.

According to the professional services agreement, the Judge shall hold office for a two-year term, unless terminated earlier as provided in the Agreement. The Judge shall perform all duties and responsibilities of the Office of the Municipal Court Presiding Judge of the City. These duties and obligations include those contained under the City's Charter and Code of Ordinances, Texas Criminal Code, Texas Local Government Code, and other pertinent State and Federal Statutes, and Regulations. Municipal Court is often thought of as traffic court, but it has a broad range of authority that contributes to the missions of other City departments, including Code Enforcement, Police Department, and Planning Department. The Judge shall be on call to perform such obligations after hours.

The Agreement commenced on October 1, 2022 and expired on September 30, 2024. The Agreement automatically renews if the Council does not take action within 91 days following the expiration of the two-year period.

On July 1, 2025, City Council conducted an evaluation of Judge Haedge and considered the professional services agreement. As a result, an addendum to the professional services agreement is being proposed to adjust the compensation terms of Judge Haedge.

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: September 20, 2022: Council authorized appointment and professional services agreement with Judge Haedge.

July 1, 2025: Council conducted an evaluation of Judge Haedge and considered the professional services agreement

COMMITTEE/BOARD/COMMISSION ACTION: N/A

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Discretion of the Council.

LIST OF SUPPORTING DOCUMENTS: First Addendum to Municipal Court Judge Professional Services Agreement - 2025, Municipal Court Judge Professional Services Agreement - 2022

**FIRST ADDENDUM TO
“CITY OF LOCKHART, TEXAS PROFESSIONAL SERVICES AGREEMENT
MUNICIPAL COURT PRESIDING JUDGE”
BETWEEN ROBERT HAEDGE AND THE CITY OF LOCKHART**

WHEREAS, by “City of Lockhart, Texas Professional Services Agreement Municipal Court Presiding Judge” (“the Agreement”) effective September 20, 2022, the City Council of the City of Lockhart hired and appointed Robert Haedge (“the Judge”) as Presiding Judge of the Municipal Court; and

WHEREAS, the City Council has reviewed the Judge’s work performance and is of the opinion that his salary should be adjusted and an Addendum to the Agreement be executed by the parties.

Agreement and Amendment

For and in consideration of the mutual covenants contained herein and other good and valuable consideration, the Agreement, Section “Compensation” shall be amended to read as follows:

COMPENSATION

The Judge shall be deemed an appointed official as well as a part-time contracted employee of the City.

Effective October 1, 2024, the City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of three thousand one hundred twenty-five dollars and twenty cents (\$3,125.20) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities.

Effective October 1, 2025, the City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of three thousand three hundred forty-three dollars and ninety-nine cents (\$3,343.99) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities.

However, the Judge will not be eligible for benefits offered by the City including health benefits, participation in the City’s retirement plan, educational reimbursement, travel expenses and professional fees/taxes, and memberships, unless otherwise specified by this Agreement. The Judge shall furnish such surety bond if required by the City Council, the premium to be paid by the City.

Additional salary adjustments following the October 1, 2025 increase may be considered upon mutual agreement of both parties.

Except as amended by this Addendum, all other terms, provisions, obligations, and responsibilities of the parties contained in the Agreement shall remain in full force and effect.

ADOPTED and effective on this the 5th day of August 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, City Secretary

Brad Bullock, City Attorney

Acceptance and Agreement by Robert Haedge on August ____, 2025.

Robert Haedge, Judge

**CITY OF LOCKHART, TEXAS
PROFESSIONAL SERVICES AGREEMENT
MUNICIPAL COURT PRESIDING JUDGE**

This employment agreement for judicial services is made by and between the City of Lockhart, Texas ("City") and Robert Haedge ("Judge") effective the 1st day of October 2022 (the "effective date") upon the following terms and conditions:

In consideration of the covenants herein contained, the City hereby hires and appoints the Judge as the Presiding Judge of the Municipal Court and the Judge agrees to perform the full duties and responsibilities as the Presiding Judge for the Municipal Court for the City as discussed herein. The Judge shall have all the powers and authority prescribed by the laws of the state for municipal court judges and shall perform the duties as prescribed by the laws of the state.

APPOINTMENT AND TERM

The Presiding Judge of the Municipal Court shall be filled by appointment by the City Council pursuant to Section 4.04 of the City's Charter. The Judge shall hold office for a two-year term, unless terminated earlier as provided in this Agreement, and until the successor to office has been appointed, qualified, and has assumed office.

For purposes of this agreement, the Judge shall take office once it has been executed by both parties and the Judge takes the oath of office. Thereafter, the Judge shall serve a two-year term that shall commence on the effective date of this Agreement, and which shall expire at midnight on September 30, 2024, unless sooner terminated or extended as provided herein.

A judge who is not reappointed by the 91st day following the expiration of a term of office shall, absent action by the appointing authority terminating such appointment, continue to serve under the same terms and conditions contained in this Agreement, which shall be extended for another term of office beginning on the date the previous term of office expired.

The City reserves the right to appoint an associate judge or temporary replacement, as necessary.

TERMINATION

The City Council may terminate the Judge and this Agreement, in the manner provided by law, at a time before expiration of the initial or extended term for incompetence, corruption, misconduct, or malfeasance in office, such termination. The Judge may terminate this Agreement at any time for any reason following thirty (30) days' notice to the City.

DEFAULT/RIGHT TO CURE

If either party hereto shall default in its performance of any term, covenant, or condition of this Agreement for twenty (20) days after notice of such default, or where such default cannot reasonably be cured within said twenty (20) days, then if the defaulting party does not promptly cure such default, then the other party may terminate this Agreement by thirty (30) days' notice to the other.

HOURS OF WORK

It is recognized that the Judge is expected to engage in the hours of work that are necessary to fulfill the obligations of the position unless prevented from doing so by events or circumstances beyond the control of either party, such as pandemic, severe weather, local or statewide states of disaster, or other "force majeure" events. It is agreed that the Judge will devote a sufficient number of hours on a weekly, monthly, and annual basis to address and accomplish all duties of a municipal court judge under this agreement and all applicable laws and regulations under state law.

DUTIES

The Judge shall perform all duties and responsibilities of the Office of the Municipal Court Judge of the City. These duties and obligations include those contained under the City's Charter and Code of Ordinance, Texas Criminal Code, Texas Local Government Code, Texas Government Code and other pertinent and applicable State and Federal Statutes, and Regulations. The Judge shall be on call to perform such obligations after hours. As the Presiding Judge, the Judge shall be responsible for the judicial supervision and management of the Court. The Municipal Court Manager and court staff, while coordinating daily functions of the court with the Judge, are considered to be municipal employees under the supervisions of the Municipal Court Manager and City Manager.

The Judge shall at all times faithfully and to the best of his ability, administer activities of the Municipal Court, assign and hear all cases and fulfill obligations of the Municipal Court as established by State or local law, rule, statute, regulation and City ordinance. The Judge's duties as Presiding Judge shall include meeting with the City Attorney, Prosecutor, City

Manager, the Chief of Police or such officials' respective designees, and all other personnel as needed to discuss procedures within the Municipal Court as well as establishing and presiding over a court security committee in compliance with Texas Government Code Section 29.014, as amended. The Judge's duties shall also include, but are not limited to:

- (1) conducting court sessions;
- (2) handling all court dockets;
- (3) reasonably responding to requests from 'the City's police department for arrest warrants and search warrants after normal business hours/days which shall be performed by the Judge; and
- (4) responding to all questions from court staff in a professional, efficient, courteous, and timely manner.

PROFESSIONAL LICENSE AND JUDICIAL TRAINING

The Judge shall attend and complete the accredited judicial training, in-person education program(s), and continuing judicial education required by the Rules of Judicial Education and the Texas Municipal Courts Education Center, and shall present proof of such attendance and completion to the City annually.

The Judge shall be required to maintain his license to practice law with the State Bar of Texas in good standing as a requirement for this position, The Judge will be responsible for his own educational expenses, occupation taxes, bar and membership dues, and continuing education expenses for maintaining his license.

The City shall reimburse the Judge for the costs of all certification and licensing training that is required by the State of Texas, plus actual reasonable expenses for travel, meals, and lodging if any not covered by the training event sponsor. In the event the Judge attends such certification and licensing training on behalf of more than one employer, the Judge will notify the City of that fact and the City's obligation to reimburse costs and expenses shall be limited to a pro rata portion of the total.

OUTSIDE EMPLOYMENT/BUSINESS DEALINGS

It is understood and agreed that this position is as an appointed official of the City. However, the Judge will be allowed to hold outside employment or engage in business dealings that do not result in a conflict of interest, do not interfere with the duties and obligations required by this position and that do not interfere in the hours of work that are necessary to fulfill the obligations of the position. The Judge must give the City notice in writing of his outside

employment and/or business dealings upon the beginning of the term of this Agreement and immediately upon any change in his outside employment and/or business dealings.

COMPENSATION

The Judge shall be deemed an appointed official as well as a part-time contracted employee of the City. The City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of two thousand seven hundred dollars (\$2700.00) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities. However, the Judge will not be eligible for benefits offered by the City including health benefits, participation in the City's retirement plan, educational reimbursement, travel expenses and professional fees/taxes, and memberships, unless otherwise specified by this Agreement. The Judge shall furnish such surety bond if required by the City Council, the premium to be paid by the City.

TMLINSURANCE

The City shall ensure that Judge is included in coverage for liability and all errors and omissions while in the performance of his duties as Municipal Judge for the City.

SEVERABILITY

In case any part or provision contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable by a Court in any respect, such invalidity, illegality, or unenforceability shall not destroy this Agreement, and this Agreement shall be construed and enforced as if the offending part or provision were not a part of this Agreement.

TEXAS LAW TO APPLY

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Caldwell County, Texas, Venue shall lie in Caldwell County, Texas.

ENTIRE AGREEMENT

All oral or written statements, representations, promises, understandings, and agreements of the parties hereto are superseded by and merged into this Agreement, which alone fully and completely expresses their agreement. This Agreement contains all of the terms agreed upon between the parties with respect to the subject matter hereof.

This Agreement may not be altered, amended, changed, waived, terminated, or modified in any respect or particular unless the same shall be

in writing signed by each of the parties hereto, the Judge and at the direction of City Manager. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

Executed on this, the 20th day of September, ²⁰²²~~2020~~.

JUDGE:

Robert A. Haedge

Robert Haedge

CITY OF LOCKHART:

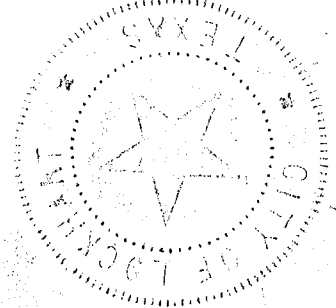
Lew White

Lew White, Mayor

Attest:

Connie Constanicio

Connie Constanicio
City Secretary



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss Second Lease Agreement Extension with H.L. Baker and Mark Needham for a City-owned Hangar at the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The original ground lease for the construction of the hangar began on July 1, 1995, with the Lessee name changed to H.L. Baker on June 9, 2001, where the Lessee assumed the 20-year ground lease until July 1, 2020. On September 19, 2018, Mr. Baker and the City agreed to extend the lease for the first lease extension through July 1, 2025 and beginning on July 2, 2020 the city obtained ownership of the structure, which changed the ground lease into a building lease for the hangar.

Mr. Baker has a long-standing reputation at the airport for use of the leased hangar for uses that benefit the community and expressed his wishes to extend the contract for an additional five years, with the following additional negotiated terms:

- The second lease term shall begin on August 5, 2025 to August 31, 2030
- Agreed to add an additional Lessee, Mark Needham, to the lease extension
- Increase the rent fee amount from \$150/month with an annual payment of \$576 to a monthly payment of \$1,000
- Continued support of the aviation community and Monthly Breakfast Club

The lessees also agrees to maintain required insurance, cover utility costs for the hangar, along with maintenance of the building, and follow all other terms and covenants in the lease agreement.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the lease extension until August 31, 2030.

LIST OF SUPPORTING DOCUMENTS: Hangar Location Map, 2025 Baker Needham Hangar Lease Renewal, Exhibit A, Exhibit B, Exhibit C

Hangar Lease Location

209 Airport Drive



SECOND LEASE AGREEMENT EXTENSION
Hangar located at City of Lockhart Airport

THIS SECOND LEASE EXTENSION AGREEMENT ("Second Extension") is made by and between H.L. Baker, an individual, and Mark Needham, an individual, herein referred to as the Lessee or Lessees, and the City of Lockhart ("City"), a Texas Municipal Corporation, herein referred to as the Lessor.

1. An original lease was executed on or about July 1, 1995, with Lessee name change on June 9, 2001, by and between City and H. L. Baker under which the property ("Leased Premises") described therein was leased to H.L. Baker for the term in place of twenty (20) years until July, 1, 2020, a copy of which is attached as **Exhibit A**. Exhibit A is hereafter referred to as the "Lease."

2. On September 19, 2018, H.L. Baker and the City agreed to extend the Lease through July 1, 2025, subject to certain additions to the Lease (the "First Lease Extension") and beginning July 2, 2020 the City of Lockhart obtained ownership of the structure on the leased property. A copy of the First Lease Extension is attached as **Exhibit B**.

3. H.L. Baker wishes to extend the lease for an additional five (5) years. The City and H.L. Baker agree to add an additional Lessee, Mark Needham to the Second Extension. The City, H. L. Baker, and Mark Needham agree to such extension with the following additions to the Lease:

- a) The Second Extension shall begin on August 5, 2025, and end on August 31, 2030.
- b) Lessee is responsible for all utility payments and maintenance of the Leased Premises.
- c) Lessee shall immediately purchase, at his sole expense, and maintain an insurance policy for the value of the structure on the Leased Premises, naming the City as an additional insured, for the life of this Second Extension, and will provide a copy of the insurance policy to the City.
- d) The Leased Premises shall comprise a City-owned building covering 3,200 square feet, which is more particularly described in **Exhibit C**. Lessee acknowledges that the Leased Premises are owned by the City.
- e) For the term of the Second Extension, Lessee agrees to pay rent in the amount of \$1,000 to the City for the Leased Premises on or before the first of each month.

4. The Lockhart City Council finds that this extension of the Lease serves a public purpose by providing for productive use of the Leased Premises that benefits the community, including continued support of the aviation community and Breakfast Club, both located at the Lockhart Municipal Airport.

5. Lessee agrees to fulfill all the terms and covenants of the Lease and this renewal, including making all payments due to or payable on behalf of the City when due and payable.

(SIGNATURES ON NEXT PAGE)

Lessee:

H.L. Baker

H.L. Baker
2504 Mitchell Lane
Austin, Texas 78748

7/30/25
Date

Lessee:

Mark Needham

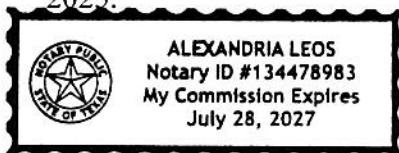
Mark Needham
2601 Berkley Avenue
Austin, Texas 78745
PO Box 623
Lockhart, Texas 78644-0623

7/30/2025
Date

STATE OF TEXAS §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **H.L. Baker**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 30th day of July, 2025.

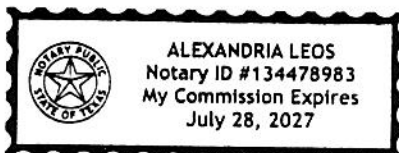


Alexandria Leos
Notary Public

STATE OF TEXAS §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **Mark Needham**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 30th day of July, 2025.



Alexandria Leos
Notary Public

City of Lockhart, Texas:

Lew White
Mayor

Attest:

Julie Bowerman
City Secretary

Original
as/11/7/95 Addendum

GROUND LEASE AGREEMENT

This Ground Lease Agreement made and entered into this the 1st day of July, 1995, by and between the **CITY OF LOCKHART, TEXAS**, a Municipal Corporation existing by and under the authority of the laws of the State of Texas, hereinafter referred to as "Lessor", and **MANNAN THOMASON and ULYSSES J. BACKUS**, hereinafter known referred collectively to as "Lessee".

WITNESSETH:

WHEREAS, Lessor owns and operates, in the City of Lockhart, an Airport, and said Lessor is desirous of leasing to Lessee certain property hereinafter more fully described and located on said airport; and

WHEREAS, Lessee has indicated a willingness and ability to properly construct, keep, maintain and improve said property with standards approve by Lessor, and desires to lease said property from the City of Lockhart, Texas;

NOW THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, Lessor does hereby lease, demise, grant and let to Lessee, and Lessee does hereby hire, take and lease from Lessor, the following premises, rights and easements on and Airport property upon the following terms and conditions, to-wit:

ARTICLE ONE

Leased Premises

Lessor does hereby grant, demise and lease unto Lessee the following described tract of land at said Airport with respect to which Lessee is to have for the term of this lease the use of said tract described as follows:

See Exhibit "A" attached hereto and incorporated for all purposes by reference.

ARTICLE TWO

Buildings and Improvements

Lessee shall have the right to erect one (1) hangar upon the leased premises.

Lessee agrees to maintain in good condition, order and repair the structure and other improvements upon the demised premises..

Lessee agrees and understands the plans and specifications for any and all proposed improvements to the leasehold property shall receive the prior written approval of the Lessor, and shall conform to the City of Lockhart Airport Master Plan or as mutually agreed upon and with approval of Lessor, as well as meet all City of Lockhart Code requirements.

Lessor, acting through its building inspector and other inspectors shall have free access to the property covered hereby and to the improvements thereon for the purposes of determining that any construction conforms to the plans and specifications approved by Lessor, and to determine if the

building or the improvements are being maintained in accordance with the requirements of this Lease Agreement. It shall be Lessee's responsibility to take such actions as are necessary to insure that the construction of the hangar and any later required maintenance work is conducted without interference with other Lessees, the FAA, or any aviation activities which are the principal purpose of the airport. Any activity which interferes with or endangers aviation activity will be immediately discontinued when so mandated by the Lessor or the F.A.A.

ARTICLE THREE

Term of Lease

The term of this Lease shall be for a period of twenty-five (25) years, commencing on the date above first written, unless sooner terminated as hereinafter provided. This Lease shall be subject to review by the appropriate State Agency and the Federal Aviation Administration, as required, and acceptance by Lessor and Lessee of the terms of this Lease Agreement shall be provisional until such time as all appropriate agencies have approved this Agreement.

ARTICLE FOUR

Use of Property

Lessee agrees and understands that this Lease Agreement shall be for the limited purposes of the construction and use of a private hangar facility for placement of one or more general aviation aircraft. Lessee covenants and agrees that any hangar so constructed shall not be used for the

purpose of renting to the general public or other parties not subject to this Lease. It is intended by the parties and agreed to by Lessee that this Lease is for the limited purpose of the construction of a hangar for the placement of aircraft owned by Lessee or his invitees. So long as Lessee remains as the primary occupant of the hangar, the City will not object to allowing an invitee aircraft owner to share space for purposes of building or storing any aircraft or parts thereof and in Lessee charging a reasonable lease fee for that service, so long as that arrangement does not devolve into a sub-lease of the entire premises.

ARTICLE FIVE

Rental Charges

Lessee agrees to pay an annual rental for the use of the premises, rights and easements herein provided for as follows:

(a) **Ground Rent**

(1) Ground rent to be paid annually in the amount of \$0.03 per square foot per year on each square foot of land on the tract of land described in Exhibit "A" herein for a total annual rental of \$108.00, the first payment of which shall be due and payable contemporaneously with the signing of this Lease.

(2) The ground rent on the tract leased shall be subject to Article V, Section (b), "Adjustments to Rent."

(3) Should any governmental agency require for any reason any portion of the tract held by Lessee under this Lease, Lessee shall be entitled to reimbursement for the sums paid to Lessor for the area of property actually utilized by the governmental agency. Nothing herein shall entitle Lessee to reimbursement for any amount greater than the sum actually paid to Lessor on the property actually utilized by the governmental agency.

(b) Adjustments to Rent

As promptly as practicable after the end of the 5th year after the beginning date of this Lease and each 5th year thereafter, Lessor shall compute the percentage of change (increase or decrease), if any, in the cost of living during the time period between the beginning date of this Lease Agreement and the date of the 5th year anniversary and each 5th year anniversary thereafter during the term of this Lease, based upon the changes in the Consumer Price Index for Urban wage Earners and Clerical Workers - U.S. Average (1967=100) (hereinafter called "Consumer Price Index"), as determined by the United States Department of Labor, Bureau of Labor Statistics for "All Items". It is agreed that the Consumer Price Index Number at the commencement date of this lease is August 1, 1994 (herein called "Base Index Number"). If the Consumer Price Index Number for the month in which any such anniversary of the beginning date shall occur (each such number being herein called an "Anniversary Index Number") is higher or lower than the Base Index Number, then

such Anniversary Index Number shall be divided by the Base Index Number and from the quotient thereof shall be subtracted the integer one (1). The resulting number, multiplied by one hundred, shall be deemed to be the percentage of increase or decrease in the cost of living. Such percentage of change shall be multiplied by the Basic Rental, and the product thereof shall be added to, or subtracted from, the Basic Rental to determine the annual rental payable for the next five year period, commencing on the immediately preceding anniversary of the beginning date (such amount being herein sometimes called "Adjusted Basic Rental"). Such Adjusted Basic Rental shall be calculated in the above manner during the 5th year anniversary and each 5th year thereafter of the Lease Term. Lessor shall, within a reasonable time after obtaining the appropriate data necessary for computing any change in the annual rent, give Lessee notice of any change so determined. Lessee shall notify Lessor of any claimed error therein within thirty (30) days after receipt of such notice. If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept comparable statistics on the cost of living for the City of San Antonio, Texas, as they shall be computed and published by an agency of the United States, or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto. As an example, only, of the foregoing adjustment:

- a. Assume Basic Rental is per acre \$100.00 per year,
- b. Assume Basic Index Number is 200,
- c. Assume Anniversary Index Number on the anniversary date of the commencement date is 300,

then based upon the foregoing, the Annual Basic Rental shall be:

Anniversary Index Number 300 divided by Base Index Number 200 =
 $1.5 - 1 = .5 \times 100 = 50 = 50\%$
 $50\% \times 100 = 50.00$
 $50.00 + 100.00 = 150.00$ Adjusted Basic Rental.

All payments are to be made to the Office of the City Manager at P. O. Box 239, Lockhart, Texas 78644.

In the event of Lessee's failure to pay any installment of rental when due or any other fee when due, Lessor may declare the lease terminated, or may declare all unmatured rental due, and further will be entitled to judgment for court costs, reasonable attorneys' fees and interest on its unpaid rental and fees at the rate of TEN (10%) PERCENT per annum.

c. Late payments on rent. All rental payments shall be due on the anniversary date, of the year beginning the lease payment period. Payments not received by the 10th shall be deemed late, and there will be an automatic ten percent (10%) penalty assessed and collected by Lessor from Lessee in that event.

ARTICLE SIX

Insurance

Lessee shall maintain, at his own cost and expense fire insurance in an amount adequate to cover eighty percent (80%) of the cost of replacement of all fixtures in the demised premises in the event of fire, extended coverage, vandalism or malicious mischief and special extended coverage. Lessee agrees to carry Lessor as an additional insured party, and such insurance policy shall contain the endorsement that such insurance may not be canceled or amended with respect to Lessor, without thirty (30) days written notice by registered mail, to Lessor, by the insurance company; and that Lessee shall be solely responsible for the payment of premiums; and that Lessor shall not be required to pay any premiums for insurance; and in the event of payment of any loss covered by such policy, Lessor shall be paid first by the insurance company for its loss, and Lessee waives the right of subrogation against Lessor for any reason whatsoever. Any insurance policy herein required or procured by Lessee shall contain an express waiver of any right of subrogation by the insurance company against Lessor. The original policy of all such insurance shall be delivered by Lessee to Lessor, within ten (10) days of the inception of such policy by the insurance company. The minimum limits of any insurance coverage

required herein shall not limit Lessee's liability under the following paragraph.

If the leased premises or any structures or improvements on the leased premises should be damaged or destroyed by fire, tornado, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

If the leased premises should be totally destroyed by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, or if it should be so damaged by such a cause that rebuilding or repairs cannot be reasonably be completed within one hundred twenty (120) working days, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Lease, effective as of the date of written notification provided for hereinabove.

If the leased premises should be damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) working days, this lease shall not terminate, and it shall be the responsibility of Lessee to rebuild or repair said damage at Lessee's expense.

Monies received from insurance proceeds due to damage proceeds will be applied toward rebuilding improvements upon the premises. If the improvements cannot be rebuilt as above specified insurance proceeds shall be split between Lessee and Lessor upon a pro rata basis mutually agreed upon by the parties.

Lessee shall, at its own expense, require contractor liability insurance during the construction of all structures on the leased premises.

ARTICLE SEVEN

Non-Assignment

Lessee shall not, at any time during the term of this lease, or in any manner, either directly or indirectly, assign, sublease, hypothecate, or transfer this agreement or any interest therein without prior written consent of the Lessor. Lessor shall not unreasonably withhold consent under this provision.

Should a lending institution require first lien on Lessee's leasehold interest and require collateral assignment of said lease to the financial institution, Lessor agrees that this will not violative of the Lease Agreement. Any assignment, hypothecation, or pledge shall not be effective without the prior written consent of the City of Lockhart and such consent shall not be unreasonably withheld. Prior to such assignment, sublease, hypothecation or pledge of this lease as provided for in this paragraph, Lessee shall provide Lessor's City Manager with a copy of

said assignment, sublease, hypothecation or pledge and of any and all agreements collateral thereto. In the event that the City of Lockhart approves the proposed assignment, sublease, hypothecation or pledge a copy thereof shall be filed with the City Secretary of the City of Lockhart. It is specifically understood and agreed by the parties that any assignment of this lease or hypothecation thereof shall not create any type of lien upon the realty or create any further obligation upon Lessor as a result of such assignment or hypothecation thereof.

ARTICLE EIGHT

Indemnity

(a) Lessee shall indemnify Lessor and save it harmless from suits, actions, damages, liability, and legal defense expense in connection with the loss of life, bodily or personal injury or property damage arising from or out of any occurrence in or upon the demised premises, or occasioned wholly or in part by any act or omission of Lessee, his agents, contractors, employees, servants, invitees or licensees, in their use of the demised premises, the runways and taxiways, and any other area within the City of Lockhart Airport; and

*11-4-10:
CITY COUNCIL TAX
NOTICE OF CLERK
ERROR &
CORRECTION*

(b) ~~Lessee~~ ^{LESSOR} shall not be responsible or liable at any time for any loss or damage to Lessee's equipment, fixtures, machinery, airplane or airplane parts or any other personal property of Lessee; and

(c) Lessor shall not be responsible or liable to Lessee or to those claiming by, through or under Lessee, for any loss or damage to either the person or property of Lessee that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining premises; and

(d) Lessor shall not be responsible or liable for any defect, latent or otherwise, on any building in the airport area, or of any of the equipment, machinery, utilities, appliances or apparatus therein or thereupon, nor shall it be responsible or liable for any injury, loss or damage to any person or to any property of Lessee, or any other person caused by or resulting from any bursting, breakage, or by or from leakage, steam, snow or ice, running, backing up, seepage or the overflow of water or sewage in any part of said premises, or for any injury or damage caused by or resulting from any defects or negligence in the occupancy, construction, operation or use of any said buildings, equipment, machinery, utilities, appliances or apparatus by any person or by or from the acts of negligence of any occupant of the premises; and,

(e) Lessee shall give prompt notice to Lessor in case of fire or accidents in the demised premises.

ARTICLE EIGHT

General Construction Standards

In addition to all code requirements of the City of Lockhart and any other legal entity or sub-entity, the

following shall be the minimum construction standards for the construction of the hangar to be placed on property listed in Exhibit "A" and incorporated by reference:

(1) Hangar shall be of all metal materials to include all supports and exterior siding.

(2) Exterior metal siding shall be of minimum 29 gauge white painted and finished.

(3) All construction shall be on pier and beam with footings appropriate to support the structure. Interior flooring of the hangar so constructed shall be of a slab of sufficient depth (minimum of five inches thick) with steel and wire support to adequately hold the weight of an aircraft.

(4) All utilities, to include electrical service shall be brought underground to the structure at the sole expense of Lessee. The City of Lockhart hereby grants an easement for that purpose to Lessee.

(5) Foundation shall be with concrete footings under all uprights or columns.

(6) Hangar shall be of a gable or arched style of a design approved by the City.

ARTICLE NINE

General Rights and Duties of Parties

The parties hereto for themselves, their legal representatives, successors and assigns, further covenant and agree as follows:

(a) Lessee agrees to observe and obey during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor, and by any other property authority having jurisdiction over the conduct of operations at the airport.

(b) So long as Lessee comports himself in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

(c) With regard to permanent improvements either in place or to be placed upon the premises by Lessee, Lessee hereby agrees to the following provisions:

(i) Permanent improvements placed upon the premises by Lessee during the term of this lease shall revert to Lessor on termination of this Lease.

(ii) Lessee shall provide proof of timely payment on all notes on improvements at a minimum of once annually by providing all appropriate documents to the City Manager of the City of Lockhart.

(iii) All loans upon permanent improvements placed upon the premises by Lessee shall be paid in their entirety and any liens placed upon improvements as a result of those construction loans shall be released no later than five (5) years prior to the termination of this lease agreement.

(iv) No equity or other type of loan which results in additional lien or liens on existing improvements

shall be allowed without the expressed written consent of Lessor.

(d) Lessee agrees that no signs or advertising matter may be erected without the consent of Lessor.

(e) Lessor hereby designates the City Manager, City of Lockhart at its official representative with the full power to represent Lessor in all dealings with Lessee in connection with the premises herein leased. Lessor may designate by notice in writing, addressed to Lessee, other representatives from time to time and such notice shall have the same effect as if included in the terms of this agreement.

(f) Notice to Lessor as herein provided shall be sufficient if sent by registered mail, postage prepaid, to the City Manager, of the City of Lockhart, at 308 West San Antonio Street, Lockhart, Texas, and notice to Lessee in the same manner, shall likewise be sufficient if addressed to Lessee at 1131 Plum Street, Lockhart, Texas 78644, or such other addresses as may be designated by Lessor or Lessee in writing from time to time.

(g) Lessee shall keep the premises, as described hereinabove, clean and all grass areas within the leased premises properly mowed. He shall dispose of all debris and other waste matter which may accumulate on the leased premises at Lessee's expense, and shall provide metal containers with proper covers for waste within the building to be erected on said premises. Should Lessee fail to mow

grassy areas, or dispose of waste, trash or junked vehicles, Lessor shall have the right to do so, and Lessee shall be billed for this work. Lessee shall forthwith remit payment to Lessor, should this occur.

(h) Lessee shall pay all taxes and assessments against the buildings placed on the premises by the Lessee during the term of this agreement.

(i) Lessee hereby grants a lien to the Lessor upon all property belonging to Lessee in and on the premises as a possessory pledge to secure the timely performance by Lessee of all of its obligations hereunder, including the proper payment of rent. In the event of default by Lessee, Lessor is and shall be empowered and authorized to seize and hold all of the personal property belonging to Lessee on the premises to secure such performance, to sell same at public or private sale and to apply the proceeds thereof first to pay the expenses of the sale, and to pay all amounts due Lessor hereunder, holding the balance remaining, if any, subject to Lessee's order. A copy of this agreement shall be the only warrant necessary. Lessee hereby waives any and all exemptions of such property either now or to be later located upon the leased premises.

(j) Lessee agrees and covenants that in the event that any proceedings in bankruptcy or in solvency shall be instituted against Lessee, whether voluntary or involuntary, Lessor may, at its option, declare this lease forfeited and terminated, and upon such declaration Lessee

agrees to give and deliver immediate possession of the premises to Lessor.

(k) Lessee shall have the right of ingress to and egress from the demised premises, which right shall extend to Lessee's passengers, guests and invitees.

(l) Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance.

ARTICLE TEN

Abatement Due To Airport Closure

During any period when the Airport shall be closed by any lawful authority restricting the use of the Airport in such a manner as to interfere with the use of same by Lessee for its business operations, the rent shall abate and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

ARTICLE ELEVEN

Police Protection

Lessor does not guarantee police protection to Lessee and his property, and Lessor shall not be responsible for injury or harm to any person or for any property belonging to Lessee, his officers, agents, servants, employees, contractors, licensees or invitees which may be stolen, destroyed or in anyway damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents,

servants, and employees from and against any and all such claims.

ARTICLE TWELVE

Right of Entry By Lessor

Lessor reserves the right to enter and view the premises at any and all times for the purposes of making any inspection it may deem expedient to the property enforcement of any of the covenants or conditions of this agreement.

ARTICLE THIRTEEN

Aerial Approaches

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the leased property which, in the opinion of Lessor, would limit the usefulness of the airport or constitute a hazard to air navigation.

ARTICLE FOURTEEN

National Emergency

During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use; and, if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

ARTICLE FIFTEEN

Lease Subordinate

This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the State of Texas and/or the United States, relative to the operation or maintenance of the airport, the execution of which has been, or may be required, as a condition precedent to the expenditure of Federal funds for the development of the Airport.

ARTICLE SIXTEEN

General Provisions

(a) This Agreement embraces the entire agreement between the parties hereto and no statement, remark, agreement, or understanding, oral or written, not contained herein shall be recognized or enforced. This Agreement may be modified only by written addendum hereto signed by all of the parties.

(b) This Agreement shall be binding upon the successors, heirs, assigns, and legal representatives of the Lessor and Lessee.

(c) For the purpose of this Agreement, the singular number shall include the plural, and masculine shall include the feminine and vice versa, whenever the context so admits.

(d) The captions and headings in this Agreement are inserted solely for convenience of references, and are not a part of nor intended to govern, limit and/or aid in the construction of any provision hereof.

(e) Each of the parties heretofore been represented by the attorneys of their choice in the negotiation and drafting of this Agreement, and the same shall not be construed in favor of either party.

(f) This Contract shall be governed by the laws of the State of Texas and construed thereunder, and is performable in Caldwell County, Texas.

(g) If any section, paragraph, sentence or phrase hereof is held to be illegal or unenforceable by a Court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Contract.

(h) Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewer, commercial refuse pickup, and any and all other utilities used on the leased premises throughout the terms of this Lease, including any connection fees.

(i) The Lessee and its successor and assigns will complete a Federal Aviation Administration (FAA) Form 7460-1, "Notice of Proposed Construction of Alteration", and receive a favorable determination from FAA prior to any construction on the property, if deemed necessary by the FAA.

(j) The following events shall be deemed to be events of default by Lessee under this lease:

- (1) Lessee fails to pay any installment of rent under this lease and the failure continues for a period of thirty (30) days.
- (2) Lessee fails to comply with any term, provision, or covenant of this lease, other than payment of rent, and does not cure the failure within thirty (30) days after written notice of the failure to Lessee.
- (3) Lessee makes an assignment for the benefit of creditors.
- (4) Lessee deserts any substantial portion of the premises for a period of ninety (90) or more days.
- (5) The abandonment of the leased premises or discontinuance of Lessee's business operations. Should this occur, Lessor shall not be responsible for the custodial protection of merchandise, fixtures or equipment abandoned, even though it is necessary for Lessor to remove the same from the leased premises for storage or disposal.

Upon default by Lessee of any terms hereunder, Lessee shall surrender the premises upon demand by Lessor without notice, protest, or recourse.

(k) It is understood and agreed that by execution of this lease, the City of Lockhart does not waive or surrender its governmental powers.

ARTICLE SEVENTEEN

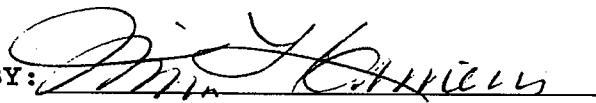
Reverter Clause

In the event that Lessee fails to complete construction upon the hangar facility within one hundred eighty (180) days from the date of the signing of this Lease Agreement, this Lease shall become nullity and of no force and effect. All property described in Exhibit "A" attached hereto shall be deemed to be automatically reverted to the City of Lockhart and Lessee shall have no right under this Lease Agreement to enter on to or remain upon the leased premises.

IN WITNESS WHEREOF, the parties have hereunto set their hands and signatures the day and year first above written.

LESSOR:

CITY OF LOCKHART

BY: 
M. LOUIS CISNEROS, MAYOR

ATTEST:

Gwendolyn L. Barrett
GWEN BARRETT, CITY SECRETARY

LESSEES:

Mannan J. Thomason
MANNAN J. THOMASON

Ulysses J. Backus
ULYSSES J. BACKUS

THE STATE OF TEXAS *

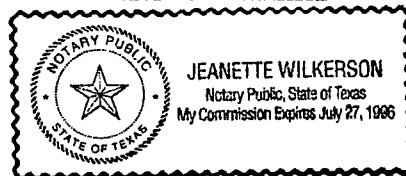
*

COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared M. LOUIS CISNEROS, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 29 day of June, 1995.

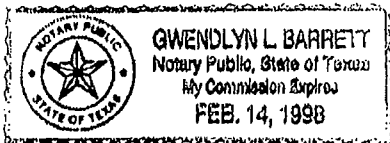
Jeanette Wilkerson
NOTARY PUBLIC - STATE OF TEXAS



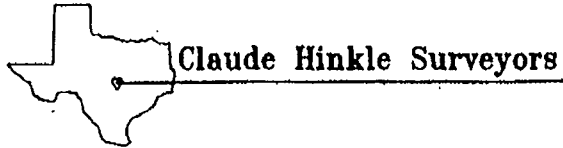
THE STATE OF TEXAS *
*
COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared MANNAN J. THOMASON and ULYSSES J. BACKUS, known to me to be the persons whose name are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 28 day of June, 1995.



Gwendlyn L. Barrett
NOTARY PUBLIC - STATE OF TEXAS



All of a certain tract or parcel of land situated in the City of Lockhart, Caldwell County, Texas and being a part of the Esther Berry Survey and being also a part of a tract of land called 248 acres and conveyed to the City of Lockhart by deed recorded in Volume 223 Page 3 of the Deed Records of Caldwell County, Texas and being more particularly described as follows:

BEGINNING at an iron pin set for the NE corner this tract and from which iron pin the SE corner of a 5.00 acre tract of land conveyed to Lockhart Airport Development Inc. by deed recorded in Volume 492 Page 540 of the said Deed Records bears N 43 degrees 28 minutes 06 seconds E 739.11 feet.

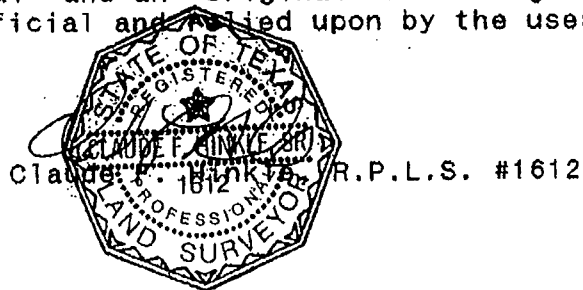
THENCE S 03 degrees 04 minutes 17 seconds W 45.00 feet to an iron pin set for the SE corner this tract.

THENCE N 86 degrees 55 minutes 43 seconds W 80.00 feet to an iron pin set for the SW corner this tract.

THENCE N 03 degrees 04 minutes 17 seconds E 45.00 feet to an iron pin set for the NW corner this tract.

THENCE S 86 degrees 55 minutes 43 seconds E 80.00 feet to the place of beginning containing 3600 square feet of land.

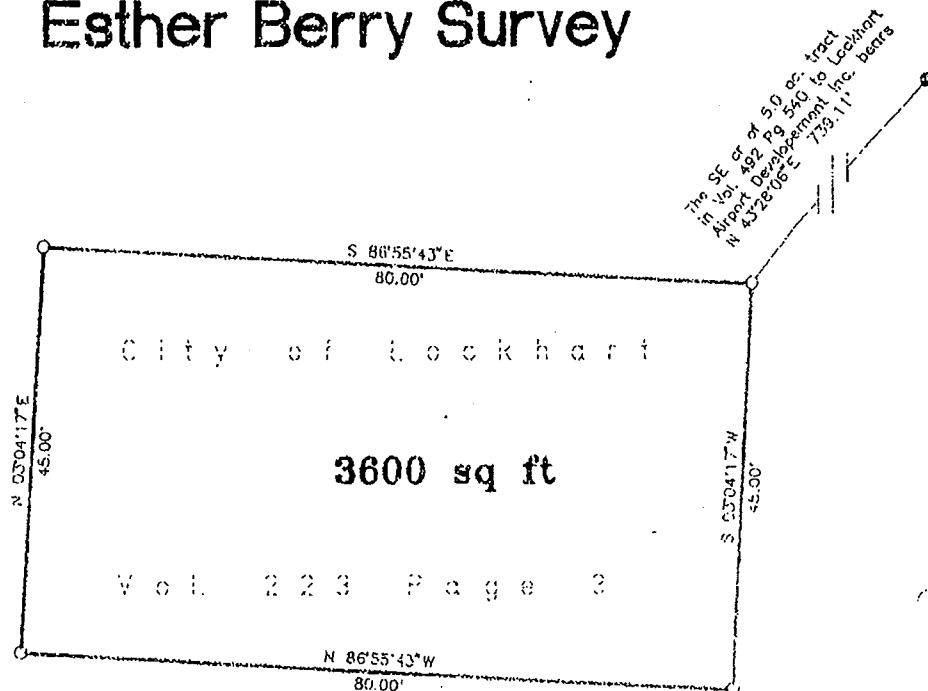
I hereby certify that the foregoing field notes are a true and correct description of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.



"EXHIBIT A"

Caldwell County, Texas

Esther Berry Survey



Lat: 29°51'07.4" N

248 a.c.

Long: 97°40'11.2" W

SURVEY PLAT

Showing a 3600 sq ft tract of land out of the Esther Berry Survey in the City of Lockhart, Caldwell County, Texas. I hereby certify that the foregoing plat is a true and correct representation of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.

Scale 1"=20'



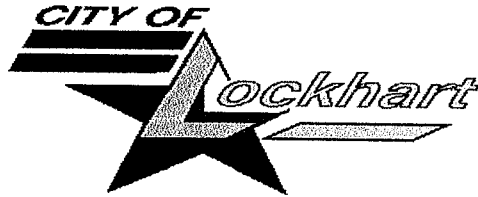
#1612

Field Book: d.c.	Drawn By: JLW
Job No. 91494a	Drawing: 61995.dwg
Date: June 19, 1995	Word Disk: Begin 60195
Surveyed By: JLW BMP CFH	Autocad Disk: Begin 60195



Claude Hinkle Surveyors

1409 South Main St.
P. O. Box 1027
Lockhart, Texas 78644



EXTENSION OF LEASE AGREEMENT

THIS AGREEMENT is made by and between H. L. Baker, an individual, herein referred to as the Lessee, and the City of Lockhart, a Texas Municipal Corporation, herein referred to as the Lessor.

1. On or about July 1, 1995, a real property lease was entered into between the Lessor and a lessee, which was amended on June 9, 2001 to remove the prior lessee and add the Lessee. The 1995 lease and 2001 amendment are hereafter referred to as the Lease. The Leased Premises includes a tract of land with a permanent structure. The term of the Lease is twenty (20) years, ending on July, 1, 2020. A copy of the Lease is attached as **Exhibit A**.

2. The Lessee wishes to extend the Lease to July 1, 2025. The Lessor agrees to the extension with the following additions, which are agreed to by the Lessee:

- a) The Lease is extended from July 1, 2020 to July 1, 2025.
- b) The Lessee is responsible for all utility payments and maintenance of the Leased Premises.
- c) The Lessee immediately will purchase, at his sole expense, an insurance policy for the value of the structure on the Leased Premises, naming the Lessor as an additional insured, and will provide a copy of the insurance policy to the Lessor.
- d) For the term of the Lease extension, the Lessee agrees to pay rent to the Lessor for the Leased Premises as follows:
 - On or before July 1 of each year: 18 cents per sq. ft. x 3,200 sq. ft., totaling \$576; and
 - On or before the first of each month: \$150.00.

3. The Lockhart City Council finds that this extension of the Lease serves a public purpose by provided for productive use of the Leased Premises that benefits the community.

4. The Lessee agrees to fulfill all the terms and covenants of the Lease and this renewal, including making all payments due to or payable on behalf of the City when due and payable.

Lessee:

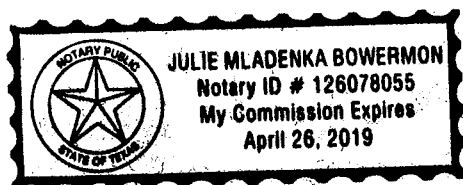
H. L. Baker
H. L. Baker
2504 Mitchell Lane
Austin, Texas 78748

19 Sept 18
Date

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **H. L. Baker**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 19 day of SEPTEMBER, 2018.



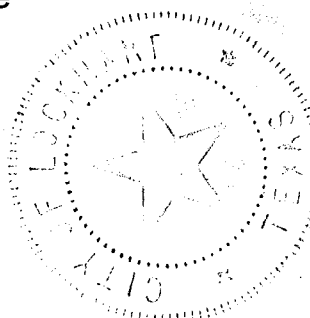
Julie Mladenka Bowermon
Notary Public

City of Lockhart, Texas:

Lew White
Lew White
Mayor

Attest:

Connie Constancio
Connie Constancio, TRMC
City Secretary





EXTENSION OF LEASE AGREEMENT

THIS AGREEMENT is made between H. L. Baker, an individual, herein referred to as the Lessee and City of Lockhart, a Municipal Corporation, herein referred to as the Lessor.

1. An original lease was executed on or about July 1, 1995, with Lessee name change on June 9, 2001, by and between The City of Lockhart, Texas (Lessor), a municipal corporation existing by and under the authority of the laws of the State of Texas, and H. L. Baker, ("Lessee:), an individual, as Tenant, under which the property described therein was leased to the Tenant for the term in place of twenty (20) years until July, 1, 2020, a copy of which is attached as **Exhibit A**. Exhibit A is hereafter referred to as the "Lease".
2. The Lessee wishes to amend the current Lease to extend the Lease Agreement until July 1, 2025, and the Lessor agrees with the extension with the provision that the Lessee agrees by his signature affixed hereto that the Lease is hereby amended as follows: include a new expiration date of July 1, 2025, beginning July 2, 2020, the Lessor owns the structure on the referenced Lease property and the Lessee continues throughout the extended lease period to be responsible for all utility payments, maintenance of the Lease structure/grounds, and will provide property insurance certificate covering the value of the Lease structure property naming the Lessor as an additional insured, and Lessee agrees to pay Lessor a ground lease of 18 cents for 3,200 square feet or \$576.00 per year plus \$150.00 per month for the building lease for each year past the original July 1, 2020, Lease expiration date.
3. In consideration of a public purpose, the Lessor assigns this Lease Renewal to the Lessee and the Lessee's heirs, executors, and administrators all right, title, and interest in and to the Lease with all conditions as stated in 2 herein above. The Lessee accepts the assignment and agrees to fulfill all the terms and covenants required by the Lessor as the Tenant under the Lease, including making all payments due to or payable on behalf of the Landlord when due and payable.

This agreement binds and inures to the benefit of the parties, their heirs, executors, administrators, successors in interest, and assigns.

Lessee:



H. L. Baker
2504 Mitchell Lane
Austin, Texas 78748


Date

Consent of Landlord

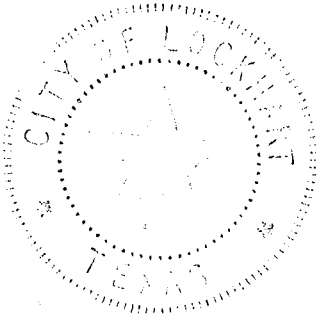
The Landlord defined in the above Lease Renewal Agreement, consents to renewal of the Lease to H. L. Baker with all conditions as stated herein and waves no right under the Lease with respect to the Tenant or the Lessee, pursuant to the action of the Lockhart City Council Meeting held on September 18, 2018.

City of Lockhart

By: Lew White
Lew White
Mayor

Attest:

Connie Constancio
Connie Constancio, TRMC
City Secretary



**ASSUMPTION and RELEASE
of the July 1, 1995 Airport Ground Lease
City of Lockhart Airport**

Date of this Addendum: November 4, 2010

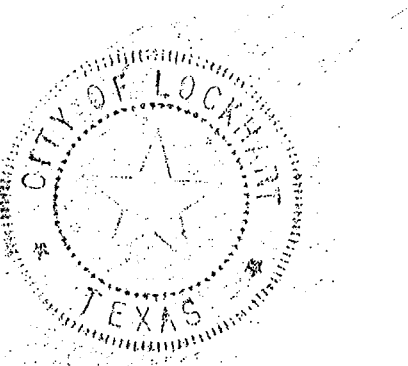
History

The original Ground Lease Lease (the "Lease") dated July 1, 1995, was made between the City of Lockhart, Texas (the "City") as lessor, and Mannan Thomason and Ulysses J. Backus as lessees, regarding the real property located at the City of Lockhart Airport and described in the Lease. The Lease was amended to remove Ulysses J. Backus as co-lessee and to add Donald E. Tillman as co-lessee on or about September 27, 1995. The Lease was again amended to remove Mannan Thomason as co-lessee and to add James M. Bruch as co-lessee on or about June 9, 2001. Donald E. Tillman and James M. Bruch (the "Lessees") now wish to be removed as lessees and to add H. L. Baker as sole lessee under the Lease.

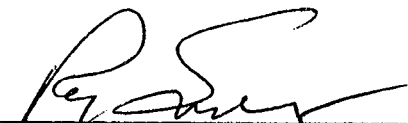
NOW, THEREFORE, the City, the Lessees and H. L. Baker agree as follows:

1. The City, the Lessees and H. L. Baker enter into this Assumption and Release to provide for H. L. Baker to assume the Lease as sole lessee. The Lease is attached hereto as **Exhibit A**. From and after the effective date hereof, Donald E. Tillman and James M. Bruch are released from all obligations under the Lease.
2. By signing this Assumption and Release, Lessees consent to be released from the Lease.
3. By signing this Assumption and Release, H. L. Baker accepts the leased premises "as is and with all Faults" and consents to assume and be bound by all of the terms of the Lease as sole lessee. After the effective date hereof, H. L. Baker shall be bound to perform all of the Lessee's obligations under the lease.
4. H. L. Baker acknowledges that the leased premises, described in the Lease, shall be used only for those purposes permitted by the Lease, and he further acknowledges that the term of the Lease ends on July 1, 2020, except as otherwise provided in the Lease.
5. This Assumption and Release must be approved in accordance with Article Seven, page 10, and Article Sixteen (a), page 19, of the Lease, at a regularly scheduled meeting of the Lockhart City Council, as evidenced by the signature of the Lockhart Mayor on this instrument.
6. This addendum shall be attached to and incorporated for all purposes in the Lease.
7. This Lease is effective upon its execution by each and every party hereto.

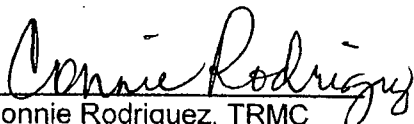
IN WITNESS THEREOF, the parties have set their hands and signatures as set forth below.



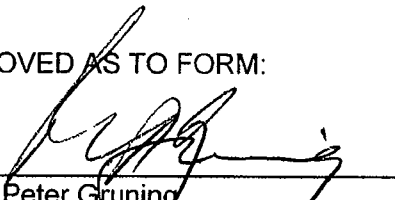
CITY OF LOCKHART:

By: 
Ray Sanders, Mayor

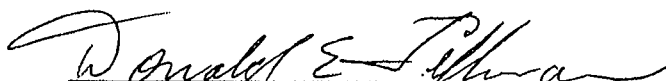
ATTEST:

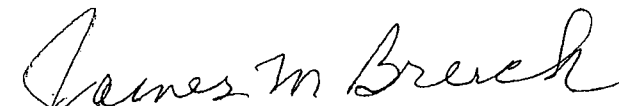

Connie Rodriguez, TRMC
City Secretary

APPROVED AS TO FORM:


Peter Gruning
City Attorney


H. L. Baker

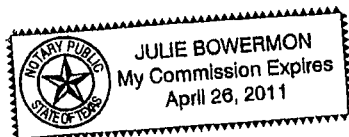

Donald E. Tillman

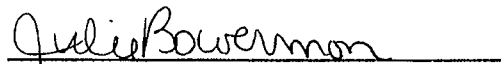

James M. Bruch

STATE OF TEXAS }
 }
COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared Ray Sanders, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 5th day of November, 2010.



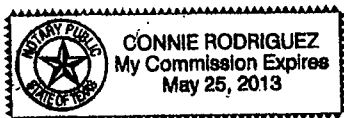

NOTARY PUBLIC - STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared H. L. Baker, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



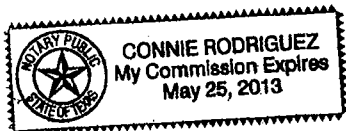
Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared Donald E. Tillman, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



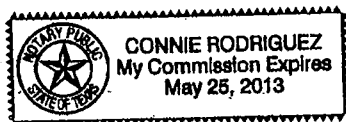
Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared James M. Bruch, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

RECEIVED
CITY OF LOCKHART

MAR 19 2018

Mr. Vance Rogers
City Manager
Lockhart, Texas

RCVD. BY: _____
TIME RECVD: _____

MAR 19, 2018

Dear Mr. Rogers,

I am the lesee of land at the Lockhart Municipal Airport (45'X 80') that my hangar, #209, is situated on. This lease will expire on July 20, 2020 and the hangar becomes the property of the city of Lockhart. I respectfully request an extension of the lease for five years.

The reason for this request is as follows: There are several older aviators (over 65) who consider Hangar #209 home and they are nearing the end of long flying careers. Three keep airplanes in the hangar. All will terminate flying within the requested five year extension. The original termination date will create a hardship as they will still be flying but lose a meeting place and a home for their airplanes.

Your careful consideration of this request will be greatly appreciated.

Sincerely,

H. L. (Lew) Baker
H. L. Baker

512-282-1150

Exhibit A

Original
as/11/7/95 Addendum

GROUND LEASE AGREEMENT

This Ground Lease Agreement made and entered into this the 1st day of July, 1995, by and between the **CITY OF LOCKHART, TEXAS**, a Municipal Corporation existing by and under the authority of the laws of the State of Texas, hereinafter referred to as "Lessor", and **MANNAN THOMASON and ULYSSES J. BACKUS**, hereinafter known referred collectively to as "Lessee".

WITNESSETH:

WHEREAS, Lessor owns and operates, in the City of Lockhart, an Airport, and said Lessor is desirous of leasing to Lessee certain property hereinafter more fully described and located on said airport; and

WHEREAS, Lessee has indicated a willingness and ability to properly construct, keep, maintain and improve said property with standards approve by Lessor, and desires to lease said property from the City of Lockhart, Texas;

NOW THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, Lessor does hereby lease, demise, grant and let to Lessee, and Lessee does hereby hire, take and lease from Lessor, the following premises, rights and easements on and Airport property upon the following terms and conditions, to-wit:

ARTICLE ONE

Leased Premises

Lessor does hereby grant, demise and lease unto Lessee the following described tract of land at said Airport with respect to which Lessee is to have for the term of this lease the use of said tract described as follows:

See Exhibit "A" attached hereto and incorporated for all purposes by reference.

ARTICLE TWO

Buildings and Improvements

Lessee shall have the right to erect one (1) hangar upon the leased premises.

Lessee agrees to maintain in good condition, order and repair the structure and other improvements upon the demised premises..

Lessee agrees and understands the plans and specifications for any and all proposed improvements to the leasehold property shall receive the prior written approval of the Lessor, and shall conform to the City of Lockhart Airport Master Plan or as mutually agreed upon and with approval of Lessor, as well as meet all City of Lockhart Code requirements.

Lessor, acting through its building inspector and other inspectors shall have free access to the property covered hereby and to the improvements thereon for the purposes of determining that any construction conforms to the plans and specifications approved by Lessor, and to determine if the

building or the improvements are being maintained in accordance with the requirements of this Lease Agreement. It shall be Lessee's responsibility to take such actions as are necessary to insure that the construction of the hangar and any later required maintenance work is conducted without interference with other Lessees, the FAA, or any aviation activities which are the principal purpose of the airport. Any activity which interferes with or endangers aviation activity will be immediately discontinued when so mandated by the Lessor or the F.A.A.

ARTICLE THREE

Term of Lease

The term of this Lease shall be for a period of twenty-five (25) years, commencing on the date above first written, unless sooner terminated as hereinafter provided. This Lease shall be subject to review by the appropriate State Agency and the Federal Aviation Administration, as required, and acceptance by Lessor and Lessee of the terms of this Lease Agreement shall be provisional until such time as all appropriate agencies have approved this Agreement.

ARTICLE FOUR

Use of Property

Lessee agrees and understands that this Lease Agreement shall be for the limited purposes of the construction and use of a private hangar facility for placement of one or more general aviation aircraft. Lessee covenants and agrees that any hangar so constructed shall not be used for the

purpose of renting to the general public or other parties not subject to this Lease. It is intended by the parties and agreed to by Lessee that this Lease is for the limited purpose of the construction of a hangar for the placement of aircraft owned by Lessee or his invitees. So long as Lessee remains as the primary occupant of the hangar, the City will not object to allowing an invitee aircraft owner to share space for purposes of building or storing any aircraft or parts thereof and in Lessee charging a reasonable lease fee for that service, so long as that arrangement does not devolve into a sub-lease of the entire premises.

ARTICLE FIVE

Rental Charges

Lessee agrees to pay an annual rental for the use of the premises, rights and easements herein provided for as follows:

(a) **Ground Rent**

(1) Ground rent to be paid annually in the amount of \$0.03 per square foot per year on each square foot of land on the tract of land described in Exhibit "A" herein for a total annual rental of \$108.00, the first payment of which shall be due and payable contemporaneously with the signing of this Lease.

(2) The ground rent on the tract leased shall be subject to Article V, Section (b), "Adjustments to Rent."

(3) Should any governmental agency require for any reason any portion of the tract held by Lessee under this Lease, Lessee shall be entitled to reimbursement for the sums paid to Lessor for the area of property actually utilized by the governmental agency. Nothing herein shall entitle Lessee to reimbursement for any amount greater than the sum actually paid to Lessor on the property actually utilized by the governmental agency.

(b) Adjustments to Rent

As promptly as practicable after the end of the 5th year after the beginning date of this Lease and each 5th year thereafter, Lessor shall compute the percentage of change (increase or decrease), if any, in the cost of living during the time period between the beginning date of this Lease Agreement and the date of the 5th year anniversary and each 5th year anniversary thereafter during the term of this Lease, based upon the changes in the Consumer Price Index for Urban wage Earners and Clerical Workers - U.S. Average (1967=100) (hereinafter called "Consumer Price Index"), as determined by the United States Department of Labor, Bureau of Labor Statistics for "All Items". It is agreed that the Consumer Price Index Number at the commencement date of this lease is August 1, 1994 (herein called "Base Index Number"). If the Consumer Price Index Number for the month in which any such anniversary of the beginning date shall occur (each such number being herein called an "Anniversary Index Number") is higher or lower than the Base Index Number, then

such Anniversary Index Number shall be divided by the Base Index Number and from the quotient thereof shall be subtracted the integer one (1). The resulting number, multiplied by one hundred, shall be deemed to be the percentage of increase or decrease in the cost of living. Such percentage of change shall be multiplied by the Basic Rental, and the product thereof shall be added to, or subtracted from, the Basic Rental to determine the annual rental payable for the next five year period, commencing on the immediately preceding anniversary of the beginning date (such amount being herein sometimes called "Adjusted Basic Rental"). Such Adjusted Basic Rental shall be calculated in the above manner during the 5th year anniversary and each 5th year thereafter of the Lease Term. Lessor shall, within a reasonable time after obtaining the appropriate data necessary for computing any change in the annual rent, give Lessee notice of any change so determined. Lessee shall notify Lessor of any claimed error therein within thirty (30) days after receipt of such notice. If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept comparable statistics on the cost of living for the City of San Antonio, Texas, as they shall be computed and published by an agency of the United States, or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto. As an example, only, of the foregoing adjustment:

- a. Assume Basic Rental is per acre \$100.00 per year,
- b. Assume Basic Index Number is 200,
- c. Assume Anniversary Index Number on the anniversary date of the commencement date is 300,

then based upon the foregoing, the Annual Basic Rental shall be:

Anniversary Index Number 300 divided by Base Index Number 200 =
 $1.5 - 1 = .5 \times 100 = 50 = 50\%$
 $50\% \times 100 = 50.00$
 $50.00 + 100.00 = 150.00$ Adjusted Basic Rental.

All payments are to be made to the Office of the City Manager at P. O. Box 239, Lockhart, Texas 78644.

In the event of Lessee's failure to pay any installment of rental when due or any other fee when due, Lessor may declare the lease terminated, or may declare all unmatured rental due, and further will be entitled to judgment for court costs, reasonable attorneys' fees and interest on its unpaid rental and fees at the rate of TEN (10%) PERCENT per annum.

c. Late payments on rent. All rental payments shall be due on the anniversary date, of the year beginning the lease payment period. Payments not received by the 10th shall be deemed late, and there will be an automatic ten percent (10%) penalty assessed and collected by Lessor from Lessee in that event.

ARTICLE SIX

Insurance

Lessee shall maintain, at his own cost and expense fire insurance in an amount adequate to cover eighty percent (80%) of the cost of replacement of all fixtures in the demised premises in the event of fire, extended coverage, vandalism or malicious mischief and special extended coverage. Lessee agrees to carry Lessor as an additional insured party, and such insurance policy shall contain the endorsement that such insurance may not be canceled or amended with respect to Lessor, without thirty (30) days written notice by registered mail, to Lessor, by the insurance company; and that Lessee shall be solely responsible for the payment of premiums; and that Lessor shall not be required to pay any premiums for insurance; and in the event of payment of any loss covered by such policy, Lessor shall be paid first by the insurance company for its loss, and Lessee waives the right of subrogation against Lessor for any reason whatsoever. Any insurance policy herein required or procured by Lessee shall contain an express waiver of any right of subrogation by the insurance company against Lessor. The original policy of all such insurance shall be delivered by Lessee to Lessor, within ten (10) days of the inception of such policy by the insurance company. The minimum limits of any insurance coverage

required herein shall not limit Lessee's liability under the following paragraph.

If the leased premises or any structures or improvements on the leased premises should be damaged or destroyed by fire, tornado, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

If the leased premises should be totally destroyed by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, or if it should be so damaged by such a cause that rebuilding or repairs cannot be reasonably be completed within one hundred twenty (120) working days, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Lease, effective as of the date of written notification provided for hereinabove.

If the leased premises should be damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) working days, this lease shall not terminate, and it shall be the responsibility of Lessee to rebuild or repair said damage at Lessee's expense.

Monies received from insurance proceeds due to damage proceeds will be applied toward rebuilding improvements upon the premises. If the improvements cannot be rebuilt as above specified insurance proceeds shall be split between Lessee and Lessor upon a pro rata basis mutually agreed upon by the parties.

Lessee shall, at its own expense, require contractor liability insurance during the construction of all structures on the leased premises.

ARTICLE SEVEN

Non-Assignment

Lessee shall not, at any time during the term of this lease, or in any manner, either directly or indirectly, assign, sublease, hypothecate, or transfer this agreement or any interest therein without prior written consent of the Lessor. Lessor shall not unreasonably withhold consent under this provision.

Should a lending institution require first lien on Lessee's leasehold interest and require collateral assignment of said lease to the financial institution, Lessor agrees that this will not violative of the Lease Agreement. Any assignment, hypothecation, or pledge shall not be effective without the prior written consent of the City of Lockhart and such consent shall not be unreasonably withheld. Prior to such assignment, sublease, hypothecation or pledge of this lease as provided for in this paragraph, Lessee shall provide Lessor's City Manager with a copy of

said assignment, sublease, hypothecation or pledge and of any and all agreements collateral thereto. In the event that the City of Lockhart approves the proposed assignment, sublease, hypothecation or pledge a copy thereof shall be filed with the City Secretary of the City of Lockhart. It is specifically understood and agreed by the parties that any assignment of this lease or hypothecation thereof shall not create any type of lien upon the realty or create any further obligation upon Lessor as a result of such assignment or hypothecation thereof.

ARTICLE EIGHT

Indemnity

(a) Lessee shall indemnify Lessor and save it harmless from suits, actions, damages, liability, and legal defense expense in connection with the loss of life, bodily or personal injury or property damage arising from or out of any occurrence in or upon the demised premises, or occasioned wholly or in part by any act or omission of Lessee, his agents, contractors, employees, servants, invitees or licensees, in their use of the demised premises, the runways and taxiways, and any other area within the City of Lockhart Airport; and

*11-4-10:
CITY COUNCIL TAX
NOTICE OF CLERK
ERROR &
CORRECTION*

(b) ~~Lessee~~ ^{LESSOR} shall not be responsible or liable at any time for any loss or damage to Lessee's equipment, fixtures, machinery, airplane or airplane parts or any other personal property of Lessee; and

(c) Lessor shall not be responsible or liable to Lessee or to those claiming by, through or under Lessee, for any loss or damage to either the person or property of Lessee that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining premises; and

(d) Lessor shall not be responsible or liable for any defect, latent or otherwise, on any building in the airport area, or of any of the equipment, machinery, utilities, appliances or apparatus therein or thereupon, nor shall it be responsible or liable for any injury, loss or damage to any person or to any property of Lessee, or any other person caused by or resulting from any bursting, breakage, or by or from leakage, steam, snow or ice, running, backing up, seepage or the overflow of water or sewage in any part of said premises, or for any injury or damage caused by or resulting from any defects or negligence in the occupancy, construction, operation or use of any said buildings, equipment, machinery, utilities, appliances or apparatus by any person or by or from the acts of negligence of any occupant of the premises; and,

(e) Lessee shall give prompt notice to Lessor in case of fire or accidents in the demised premises.

ARTICLE EIGHT

General Construction Standards

In addition to all code requirements of the City of Lockhart and any other legal entity or sub-entity, the

following shall be the minimum construction standards for the construction of the hangar to be placed on property listed in Exhibit "A" and incorporated by reference:

(1) Hangar shall be of all metal materials to include all supports and exterior siding.

(2) Exterior metal siding shall be of minimum 29 gauge white painted and finished.

(3) All construction shall be on pier and beam with footings appropriate to support the structure. Interior flooring of the hangar so constructed shall be of a slab of sufficient depth (minimum of five inches thick) with steel and wire support to adequately hold the weight of an aircraft.

(4) All utilities, to include electrical service shall be brought underground to the structure at the sole expense of Lessee. The City of Lockhart hereby grants an easement for that purpose to Lessee.

(5) Foundation shall be with concrete footings under all uprights or columns.

(6) Hangar shall be of a gable or arched style of a design approved by the City.

ARTICLE NINE

General Rights and Duties of Parties

The parties hereto for themselves, their legal representatives, successors and assigns, further covenant and agree as follows:

(a) Lessee agrees to observe and obey during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor, and by any other property authority having jurisdiction over the conduct of operations at the airport.

(b) So long as Lessee comports himself in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

(c) With regard to permanent improvements either in place or to be placed upon the premises by Lessee, Lessee hereby agrees to the following provisions:

(i) Permanent improvements placed upon the premises by Lessee during the term of this lease shall revert to Lessor on termination of this Lease.

(ii) Lessee shall provide proof of timely payment on all notes on improvements at a minimum of once annually by providing all appropriate documents to the City Manager of the City of Lockhart.

(iii) All loans upon permanent improvements placed upon the premises by Lessee shall be paid in their entirety and any liens placed upon improvements as a result of those construction loans shall be released no later than five (5) years prior to the termination of this lease agreement.

(iv) No equity or other type of loan which results in additional lien or liens on existing improvements

shall be allowed without the expressed written consent of Lessor.

(d) Lessee agrees that no signs or advertising matter may be erected without the consent of Lessor.

(e) Lessor hereby designates the City Manager, City of Lockhart at its official representative with the full power to represent Lessor in all dealings with Lessee in connection with the premises herein leased. Lessor may designate by notice in writing, addressed to Lessee, other representatives from time to time and such notice shall have the same effect as if included in the terms of this agreement.

(f) Notice to Lessor as herein provided shall be sufficient if sent by registered mail, postage prepaid, to the City Manager, of the City of Lockhart, at 308 West San Antonio Street, Lockhart, Texas, and notice to Lessee in the same manner, shall likewise be sufficient if addressed to Lessee at 1131 Plum Street, Lockhart, Texas 78644, or such other addresses as may be designated by Lessor or Lessee in writing from time to time.

(g) Lessee shall keep the premises, as described hereinabove, clean and all grass areas within the leased premises properly mowed. He shall dispose of all debris and other waste matter which may accumulate on the leased premises at Lessee's expense, and shall provide metal containers with proper covers for waste within the building to be erected on said premises. Should Lessee fail to mow

grassy areas, or dispose of waste, trash or junked vehicles, Lessor shall have the right to do so, and Lessee shall be billed for this work. Lessee shall forthwith remit payment to Lessor, should this occur.

(h) Lessee shall pay all taxes and assessments against the buildings placed on the premises by the Lessee during the term of this agreement.

(i) Lessee hereby grants a lien to the Lessor upon all property belonging to Lessee in and on the premises as a possessory pledge to secure the timely performance by Lessee of all of its obligations hereunder, including the proper payment of rent. In the event of default by Lessee, Lessor is and shall be empowered and authorized to seize and hold all of the personal property belonging to Lessee on the premises to secure such performance, to sell same at public or private sale and to apply the proceeds thereof first to pay the expenses of the sale, and to pay all amounts due Lessor hereunder, holding the balance remaining, if any, subject to Lessee's order. A copy of this agreement shall be the only warrant necessary. Lessee hereby waives any and all exemptions of such property either now or to be later located upon the leased premises.

(j) Lessee agrees and covenants that in the event that any proceedings in bankruptcy or in solvency shall be instituted against Lessee, whether voluntary or involuntary, Lessor may, at its option, declare this lease forfeited and terminated, and upon such declaration Lessee

agrees to give and deliver immediate possession of the premises to Lessor.

(k) Lessee shall have the right of ingress to and egress from the demised premises, which right shall extend to Lessee's passengers, guests and invitees.

(l) Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance.

ARTICLE TEN

Abatement Due To Airport Closure

During any period when the Airport shall be closed by any lawful authority restricting the use of the Airport in such a manner as to interfere with the use of same by Lessee for its business operations, the rent shall abate and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

ARTICLE ELEVEN

Police Protection

Lessor does not guarantee police protection to Lessee and his property, and Lessor shall not be responsible for injury or harm to any person or for any property belonging to Lessee, his officers, agents, servants, employees, contractors, licensees or invitees which may be stolen, destroyed or in anyway damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents,

servants, and employees from and against any and all such claims.

ARTICLE TWELVE

Right of Entry By Lessor

Lessor reserves the right to enter and view the premises at any and all times for the purposes of making any inspection it may deem expedient to the property enforcement of any of the covenants or conditions of this agreement.

ARTICLE THIRTEEN

Aerial Approaches

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the leased property which, in the opinion of Lessor, would limit the usefulness of the airport or constitute a hazard to air navigation.

ARTICLE FOURTEEN

National Emergency

During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use; and, if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

ARTICLE FIFTEEN

Lease Subordinate

This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the State of Texas and/or the United States, relative to the operation or maintenance of the airport, the execution of which has been, or may be required, as a condition precedent to the expenditure of Federal funds for the development of the Airport.

ARTICLE SIXTEEN

General Provisions

(a) This Agreement embraces the entire agreement between the parties hereto and no statement, remark, agreement, or understanding, oral or written, not contained herein shall be recognized or enforced. This Agreement may be modified only by written addendum hereto signed by all of the parties.

(b) This Agreement shall be binding upon the successors, heirs, assigns, and legal representatives of the Lessor and Lessee.

(c) For the purpose of this Agreement, the singular number shall include the plural, and masculine shall include the feminine and vice versa, whenever the context so admits.

(d) The captions and headings in this Agreement are inserted solely for convenience of references, and are not a part of nor intended to govern, limit and/or aid in the construction of any provision hereof.

(e) Each of the parties heretofore been represented by the attorneys of their choice in the negotiation and drafting of this Agreement, and the same shall not be construed in favor of either party.

(f) This Contract shall be governed by the laws of the State of Texas and construed thereunder, and is performable in Caldwell County, Texas.

(g) If any section, paragraph, sentence or phrase hereof is held to be illegal or unenforceable by a Court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Contract.

(h) Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewer, commercial refuse pickup, and any and all other utilities used on the leased premises throughout the terms of this Lease, including any connection fees.

(i) The Lessee and its successor and assigns will complete a Federal Aviation Administration (FAA) Form 7460-1, "Notice of Proposed Construction of Alteration", and receive a favorable determination from FAA prior to any construction on the property, if deemed necessary by the FAA.

(j) The following events shall be deemed to be events of default by Lessee under this lease:

- (1) Lessee fails to pay any installment of rent under this lease and the failure continues for a period of thirty (30) days.
- (2) Lessee fails to comply with any term, provision, or covenant of this lease, other than payment of rent, and does not cure the failure within thirty (30) days after written notice of the failure to Lessee.
- (3) Lessee makes an assignment for the benefit of creditors.
- (4) Lessee deserts any substantial portion of the premises for a period of ninety (90) or more days.
- (5) The abandonment of the leased premises or discontinuance of Lessee's business operations. Should this occur, Lessor shall not be responsible for the custodial protection of merchandise, fixtures or equipment abandoned, even though it is necessary for Lessor to remove the same from the leased premises for storage or disposal.

Upon default by Lessee of any terms hereunder, Lessee shall surrender the premises upon demand by Lessor without notice, protest, or recourse.

(k) It is understood and agreed that by execution of this lease, the City of Lockhart does not waive or surrender its governmental powers.

ARTICLE SEVENTEEN

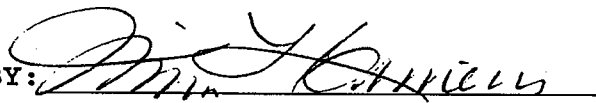
Reverter Clause

In the event that Lessee fails to complete construction upon the hangar facility within one hundred eighty (180) days from the date of the signing of this Lease Agreement, this Lease shall become nullity and of no force and effect. All property described in Exhibit "A" attached hereto shall be deemed to be automatically reverted to the City of Lockhart and Lessee shall have no right under this Lease Agreement to enter on to or remain upon the leased premises.

IN WITNESS WHEREOF, the parties have hereunto set their hands and signatures the day and year first above written.

LESSOR:

CITY OF LOCKHART

BY: 
M. LOUIS CISNEROS, MAYOR

ATTEST:

Gwendolyn L. Barrett
GWEN BARRETT, CITY SECRETARY

LESSEES:

Mannan J. Thomason
MANNAN J. THOMASON

Ulysses J. Backus
ULYSSES J. BACKUS

THE STATE OF TEXAS *

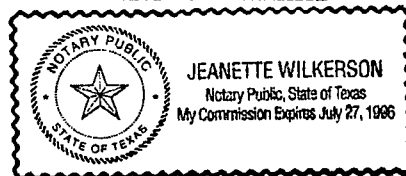
*

COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared M. LOUIS CISNEROS, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 29 day of June, 1995.

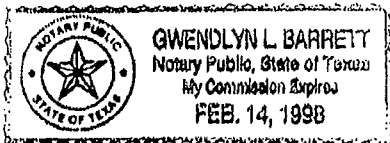
Jeanette Wilkerson
NOTARY PUBLIC - STATE OF TEXAS



THE STATE OF TEXAS *
*
COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared MANNAN J. THOMASON and ULYSSES J. BACKUS, known to me to be the persons whose name are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 28 day of June, 1995.



Gwendlyn L. Barrett
NOTARY PUBLIC - STATE OF TEXAS



All of a certain tract or parcel of land situated in the City of Lockhart, Caldwell County, Texas and being a part of the Esther Berry Survey and being also a part of a tract of land called 248 acres and conveyed to the City of Lockhart by deed recorded in Volume 223 Page 3 of the Deed Records of Caldwell County, Texas and being more particularly described as follows:

BEGINNING at an iron pin set for the NE corner this tract and from which iron pin the SE corner of a 5.00 acre tract of land conveyed to Lockhart Airport Development Inc. by deed recorded in Volume 492 Page 540 of the said Deed Records bears N 43 degrees 28 minutes 06 seconds E 739.11 feet.

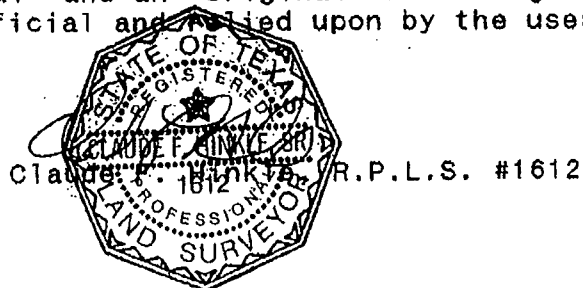
THENCE S 03 degrees 04 minutes 17 seconds W 45.00 feet to an iron pin set for the SE corner this tract.

THENCE N 86 degrees 55 minutes 43 seconds W 80.00 feet to an iron pin set for the SW corner this tract.

THENCE N 03 degrees 04 minutes 17 seconds E 45.00 feet to an iron pin set for the NW corner this tract.

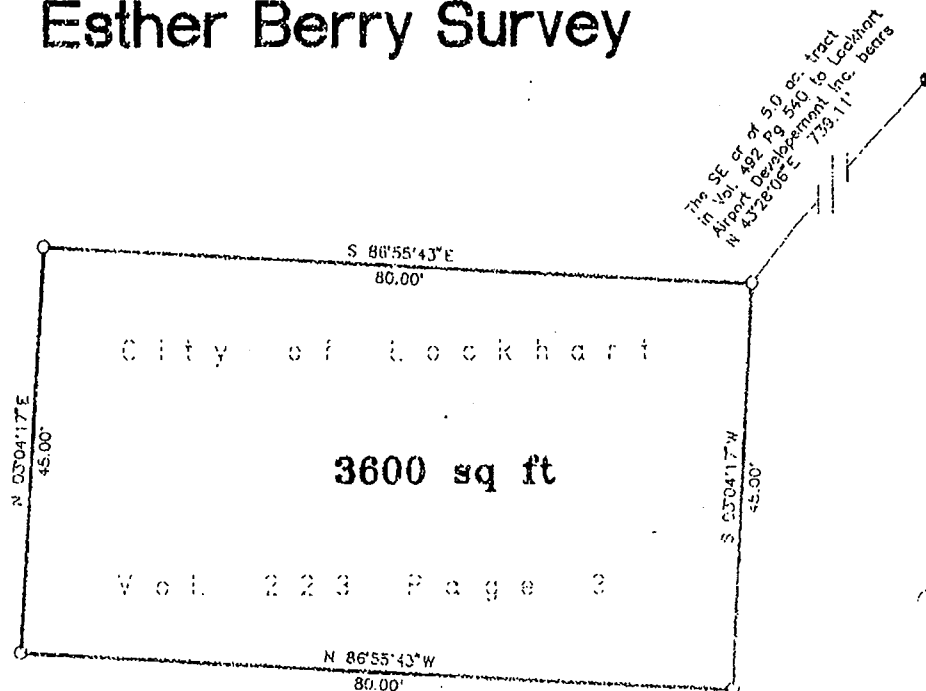
THENCE S 86 degrees 55 minutes 43 seconds E 80.00 feet to the place of beginning containing 3600 square feet of land.

I hereby certify that the foregoing field notes are a true and correct description of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.



Caldwell County, Texas

Esther Berry Survey



Lat: 29°51'07.4" N

248 a.c.

Long: 97°40'11.2" W

SURVEY PLAT

Showing a 3600 sq ft tract of land out of the Esther Berry Survey in the City of Lockhart, Caldwell County, Texas. I hereby certify that the foregoing plat is a true and correct representation of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.

Scale 1"=20'



#1612

Field Book: d.c.	Drawn By: JLW
Job No. 91494a	Drawing: 61995.dwg
Date: June 19, 1995	Word Disk: Begin 60195
Surveyed By: JLW BMP CFH	Autocad Disk: Begin 60195



Claude Hinkle Surveyors

1409 South Main St.
P. O. Box 1027
Lockhart, Texas 78744

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss Ordinance 2025-16 ordering a General Election on November 4, 2025 for the purpose of electing One Councilmember District 1; One Councilmember District 2; and, Two Councilmembers At-Large; providing for Joint Election with Caldwell County; establishing early voting locations and hours; ordering Notice of Election to be given as prescribed by law; and making provision for the conduct of the election.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The City Council positions up for election on November 4, 2025 are District 1, District 2, and two At-Large. The Caldwell County Elections Administrator (County EA) will be conducting the November 4, 2025 election for several entities which includes the City of Lockhart. Ordinance 2025-16 provides details about the election and indicates that the City will contract with the County EA to conduct the election. The City Secretary's office will receive applications for a place on the ballot, post and publish notices, prepare ballot language, and be available to direct voters to the correct polling locations.

The filing period for a place on the ballot is July 19 – August 18.

The deadline to order an election is August 18, 2025.

State election laws require that early voting hours and locations be included in the City's Order of Election. Early voting will be conducted October 20 – 31. Early voting locations and hours are determined by the Caldwell County Commissioners' Court and the County EA. Early voting locations and hours are anticipated to be considered by Commissioners' Court during their meeting on August 12, 2025. If the County elects different locations and/or hours than what is included in this Order of Election ordinance, City Staff will return to the Council to update the necessary information.

The County is anticipated to approve/set Election Day polling locations in late August. Once Election Day polling locations have been set, City Staff will return to the Council to present the polling locations, as well as publish the required Notice of Election, which includes Election Day polling locations.

The costs associated with the election will depend on the number of entities involved in Caldwell County's November 4, 2025 General Election as well as the specific needs of each entity in the joint election. Entities that will be on the November 4 ballot include Caldwell County, City of Lockhart, City of Mustang Ridge, City of Niederwald, and multiple municipal utility districts, to name a few.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

For the 2023 election held jointly with the County, the City's cost was approximately \$13,000. The cost of the 2024 election is not yet available.

A contract for "Joint Election Services Between Caldwell County and Participating Entities" will be presented to the City Council during an upcoming City Council meeting. The County EA has provided a draft of the contract which has been included in this agenda packet for review.

PROJECT SCHEDULE (if applicable): Staff anticipates presenting a joint election contract for Council consideration during the August 19, 2025 Council meeting and Election Day polling locations following action by the Caldwell County Commissioners' Court.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Ordinance 2025-16 to comply with the August 18, 2025 order-of-election deadline.

LIST OF SUPPORTING DOCUMENTS: Ordinance 2025-16 ordering Nov 4 2025, 2025 Joint Election Services Contract - Uniform Election Template

ORDINANCE 2025-16

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ORDERING A GENERAL ELECTION ON NOVEMBER 4, 2025 FOR THE PURPOSE OF ELECTING ONE COUNCILMEMBER DISTRICT 1; ONE COUNCILMEMBER DISTRICT 2; AND, TWO COUNCILMEMBERS AT-LARGE; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISIONS FOR THE CONDUCT OF THE ELECTION.

WHEREAS, state and city law provide that on November 4, 2025 there shall be a general election for the purpose of electing one (1) Councilmember District 1; one (1) Councilmember District 2; and, two (2) Councilmembers At-Large.

WHEREAS, the City Council also has the authority pursuant to Chapter 271, Texas Election Code, to enter into a joint election agreement with Caldwell County, which is a political subdivision that is also holding an election on the same date.

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

Section 1. Order of General Election:

ORDER OF GENERAL ELECTION FOR MUNICIPALITIES ORDEN DE ELECCIÓN GENERAL PARA MUNICIPIOS

An election is hereby ordered to be held on November 4, 2025 for the purpose of voting on:

(Por la presente se ordena celebrar una elección el 4 de noviembre, 2025 con el propósito de votar sobre.)

List Offices/Propositions/Measures on the ballot *(Enúmere los puestos/proposiciones/medidas oficiales en la boleta)*

Councilmember District 1 <i>(Concejal del Distrito 1)</i>
Councilmember District 2 <i>(Concejal del Distrito 2)</i>
Two Councilmembers At-Large <i>(Dos Consejales A-Grande)</i>

Early voting by personal appearance will be conducted as follows:

(La votación adelantada en persona se llevará a cabo como previsto:)

The Main Early Voting Location *(sitio principal de votación adelantada)*

Scott Annex Building (Edificio Anexo Scott)
1403 Blackjack St.
Lockhart, Texas 78644

Early voting by personal appearance will be conducted:

Monday, October 20, 2025	8:00 a.m. - 5:00 p.m.
Tuesday, October 21, 2025	8:00 a.m. – 5:00 p.m.
Wednesday, October 22, 2025	8:00 a.m. – 5:00 p.m.
Thursday, October 23, 2025	8:00 a.m. – 5:00 p.m.
Friday, October 24, 2025	8:00 a.m. – 5:00 p.m.
Saturday, October 25, 2025	8:00 a.m. – 5:00 p.m.
Sunday, October 26, 2025	9:00 a.m. – 3:00 p.m.
Monday, October 27, 2025	8:00 a.m. – 5:00 p.m.
Tuesday, October 28, 2025	8:00 a.m. – 5:00 p.m.
Wednesday, October 29, 2025	8:00 a.m. – 5:00 p.m.
Thursday, October 30, 2025	7:00 a.m. – 7:00 p.m.
Friday, October 31, 2025	7:00 a.m. – 7:00 p.m.

Locations and hours may be changed by the County Elections Administrator.

The Council appoints Devante Coe, Caldwell County Elections Administrator, as the Early Voting Clerk. Applications for ballot by mail shall be mailed to:

(Las solicitudes para boletas que se votarán adelantada por correo deberán enviarse a:)

Early Voting Clerk

Devante Coe, Caldwell County Elections Administrator

1403 Blackjack Street, Suite A

Lockhart, Texas 78644

(512) 668-4347

Email Address: devante.coe@co.caldwell.tx.us

Website: www.co.caldwell.tx.us

Applications for Ballots by Mail (ABBM)s must be received no later than the close of business on: *(Las solicitudes para boletas que se votarán adelantada por correo deberán recibirse no más tardar de las horas de negocio el:)*

October 24, 2025 *(24 de octubre, 2025)*

Federal Post Card Applications (FPCAs) must be received no later than the close of business on: *(La Tarjeta Federal Postal de Solicitud deberán recibirse no más tardar de las horas de negocio el:)*

October 24, 2025 *(24 de octubre, 2025)*

Order of General Election Issued this 5th day of August, 2025.

(Emitida este día 5 de agosto, 2025)

Signature of Mayor (Firma del Alcalde)

Section 2. Election Duties. In the absence of the City Secretary, the City Manager and/or Assistant City Manager are hereby appointed to fulfill election duties in place of City Secretary as needed in accordance with Texas Elections Code Sec 31.123.

Section 3. Notice of Election. Notice of the Election, stating in substance the contents of this Ordinance, shall be published in the English and Spanish languages at least once in a newspaper published within CITY's territory at least 10 days and no more than 30 days, prior to the election, and as otherwise may be required by the Texas Election Code and Texas Local Government Code. Notice of the Elections shall also be posted on the bulletin board used by the Council to post notices of the Council's meetings no later than the 21st day before the Elections, or if the 21st day before the Elections falls on a weekend or holiday, on the first business day thereafter.

Section 4. Authorization to Execute. The Mayor of the CITY is authorized to execute and the City Secretary of the CITY is authorized to attest this Ordinance on behalf of the City Council; and the Mayor of the City Council is authorized to do all other things legal and necessary in connection with the holding and consummation of the Elections.

Section 5. Severability. If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision or regulation.

Section 6. Repealer. That all other ordinances, sections, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

Section 7. Publication. That the City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

Section 8. Effective Date. This Ordinance is effective immediately upon its passage and approval.

PASSED AND APPROVED on August 5, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon
City Secretary

Bradford E. Bullock, City Attorney

**JOINT ELECTION SERVICES CONTRACT
BETWEEN
CALDWELL COUNTY
ON BEHALF OF THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR
AND
PARTICIPATING ENTITIES**

WHEREAS, pursuant to Section 41.001(d), Texas Election Code, a county elections administrator shall enter into a contract to furnish election services for a uniform election date when requested by a political subdivision;

WHEREAS, for non-uniform election dates, pursuant to Section 31.092(a), Texas Election Code, the county election administrator may enter into a contract with the governing body of a political subdivision situated wholly or partly in the county served by the county elections administrator in any one or more elections ordered by an authority of the political subdivision;

WHEREAS, pursuant to Section 31.094, Texas Election Code, an election services contract may provide for the county election administrator to perform or supervise performance of any or all of the corresponding duties and functions the elections administrator performs in connection with a countywide election ordered by a county authority, other than the exceptions enumerated in Section 31.096, Texas Election Code.

WHEREAS, the Caldwell County, Texas (the “County”) is served by the Caldwell County Elections Administrator (the “Administrator”);

WHEREAS, the undersigned political subdivisions (individually or collectively referred to as the “Participating Entities”) that conduct elections are situated wholly or partly within the political boundaries of the County.

WHEREAS, for the _____ uniform election date and associated subsequent elections, some or all of the Participating Entities request the County, on behalf of the Administrator, to contract for the performance of election services; and

WHEREAS, to promote uniform and consistent elections held within the County, to assist in the reduction of fraud, protection of the secrecy of the ballot, promotion of voter access, and to ensure all legally cast ballots are counted, the County and undersigned Participating Entities intend to enter into a joint election services contract.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the County and undersigned Participating Entities do hereby agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.01. “Contracted Election” means the _____ uniform election, as generally described in Section 41.001(a), Texas Election Code, and accompanying early voting period, and, if applicable, any post-election services including any associated runoff elections, recounts, election contests, elections to resolve a tie, and any early voting periods associated with post-election services.

Section 1.02. “Election Officer” means an election judge, alternate election judge, early voting clerk, presiding judge of an early voting ballot board, alternate presiding judge of an early

voting ballot board, member of an early voting ballot board, chair of a signature verification committee, vice chair of a signature verification committee, member of a signature verification committee, presiding judge of a central counting station, alternate presiding judge of a central counting station, central counting station manager, central counting station clerk, tabulation supervisor, and assistant to a tabulation supervisor.

Section 1.03. "Election Clerk" means an election clerk, and deputy early voting clerk.

ARTICLE II PARTICIPATING ENTITY OBLIGATIONS

- Section 2.01. **RETAINED DUTIES.** Any duties and obligations not expressly transferred to the Administrator or the County under this agreement are retained by the Participating Entities. Nothing in this contract will be construed to authorize or permit a change in the office with whom or the place at which any document or recording related to the Contracted Election is to be filed, a Participating Entity's requirement to maintain office hours, or place at which any function of the canvass of the election returns is to be performed.
- Section 2.02. **JOINT ELECTION AUTHORIZED.** Participating Entities agree to conduct the Contracted Election jointly, as authorized by Chapter 271, Texas Election Code, with any other undersigned Participating Entities holding elections on the same day in all or part of the same territory in Caldwell County. Participating Entities agree and acknowledge that other Participating Entities may join this agreement subject only to County approval.
- Section 2.03. **PRECLEARANCE FOR SPECIAL ELECTIONS.** If required by law, Participating Entities will be individually responsible for obtaining appropriate preclearance from the United States Department of Justice for any special elections.
- Section 2.04. **APPOINTMENT OF EARLY VOTING CLERK.** Participating Entities, through their respective governing bodies, will appoint the Administrator to serve as the Early Voting Clerk for the Contracted Election.
- Section 2.05. **DESIGNATION OF VOTER REGISTRAR.** Participating Entities, through their respective governing bodies, will appoint the Administrator to serve as the Voter Registrar for the Contracted Election.
- Section 2.06. **APPOINTMENT OF ELECTION WORKERS.** Participating Entities, through their respective governing bodies, will appoint Election Officers and Election Clerks, as identified in Attachment 'C', pursuant to Section 4.09 of this contract.
- Section 2.07. **ELECTION OFFICIAL COMPENSATION APPROVAL.** Participating Entities, through their respective governing bodies, will set any compensation for election officers at rates consistent with the election cost estimate attached to this contract as Attachment 'A'.
- Section 2.08. **DESIGNATION OF CENTRAL COUNTING STATION.** Participating Entities, through their respective governing bodies, will designate the Caldwell County Elections Office, 1403 Blackjack Street, Lockhart, Texas 78644, as the Central Counting Station for the Contracted Election.

- Section 2.09. **DESIGNATION OF POLLING PLACES.** Participating Entities, through their respective governing bodies, will designate the Administrator's office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, as the main early voting polling place for the Contracted Election. Participating Entities, through their respective governing bodies, agree to designate other polling places, including early voting polling places and temporary early voting polling places as recommended by the Administrator.
- Section 2.10. **ELECTION ORDERS, NOTICES, AND LOCAL CANVASS.** Participating Entities will be responsible for the preparation, adoption, publication, and posting of all statutorily required election orders, notices, and other documents, including bilingual materials, evidencing action by the Participating Entities of all actions necessary to call and administer the Contracted Election, except as otherwise provided for in this contract. Participating Entities will conduct the local canvass.
- Section 2.11. **BALLOTS.** Participating Entities will be responsible for the preparation information contained in English and Spanish ballots and sample ballots, including mail ballots, and, as applicable, will determine the names of the candidates, names of the offices sought, order of names on the ballot, propositions on the ballot, and the Spanish translation of the offices and any propositions. This information will be provided to the Administrator no less than 60 days prior to any associated election day during the Contracted Election. The Participating Entities are responsible for proofreading and, if necessary, notifying the Administrator of necessary corrections to proposed ballots and sample ballots, including mail ballots, as provided by the Administrator.
- Section 2.12. **USE OF COMMON BALLOT.** It is agreed by the parties to this Agreement that a common ballot will be used for joint elections. The universal serial busses ("USBs") containing the voted ballots for an election will be delivered to the Administrator's office at 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, and the USBs will remain in the Administrator's custody, except that the County agrees to provide Participating Entities with the necessary documentation, if requested, for canvass of an election or in the event the voted ballots are required for a recount or any court proceedings in which a Participating Entity may be a party. The County agrees to maintain custody of the USBs containing the voted ballots for the period of time prescribed by the Texas Election Code. All USBs that are not placed in active voting equipment will remain locked in the Caldwell County Elections Office. USBs will not be replaced without being logged out and checked out by an Election Officer or Election Clerk at any time during an election. An audit shall be conducted to ensure that all USBs are present and accounted for. All replaced equipment will remain secured until after tabulation to ensure that all checks and balances have been satisfied.
- Section 2.013. **USE OF COMMON FORMS.** All forms used in the conduct of the election, including but not limited to the poll list, signature roster, ballot registers, expense accounts, and all oaths and certificates will be used jointly by the two agencies. All forms will be returned to the Administrator who shall keep them in his custody for the period prescribed by the Texas Election Code. The County agrees to furnish the Participating Entities with copies of any election documents upon the Participating Entity's request at no charge.
- Section 2.14. **APPLICATIONS FOR MAIL BALLOTS.** Participating Entities, through their respective governing bodies, will designate the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, to be the early voting clerk's mailing address

to which ballot applications and ballots voted by mail will be sent. Applications for mail ballots sent to Participating entities shall be promptly faxed to the Administrator or emailed to caldwellec@co.caldwell.tx.us for timely processing, with the original application forwarded to the Administrator for appropriate record retention.

- Section 2.15. **TRANSLATION.** Each Participating Entity is responsible for having its own election orders, resolutions, notices, or official ballot wording translated into the Spanish language if necessary.
- Section 2.16. **MAPS AND ANNEXATIONS.** Participating Entities will provide the Administrator with an updated map and street index, including address numbers, of its jurisdiction in an electronic format that is compatible with the mapping format used by the Administrator's office, and will provide notice to the Administrator of any new developments, annexations, de-annexations, and any other changes to the master voter registration list within the Participating Entities jurisdiction within the County.
- Section 2.17. **RECOUNT NOTICE.** Not later than 48 hours after it becomes aware that a recount is required by law or requested by a candidate, Participating Entities will provide notice to the Administrator that a recount must be conducted.
- Section 2.18. **ELECTION TO RESOLVE A TIE.** Notwithstanding any provision to the contrary, in the event an election is needed to resolve a tie vote, the affected Participating Entity and the Administrator will agree to an election date and early voting schedule in compliance with the Texas Election Code, with consideration given to other elections conducted by the Administrator. The cost for implementing an election under this section will be attributed solely to the affected Participating Entity.
- Section 2.19. **PRECINCT REPORTS TO THE SOS.** Participating Entities will prepare and file all required precinct reports with the Texas Secretary of State.

ARTICLE III COUNTY OBLIGATIONS

- Section 3.01. **BACKGROUND CHECK.** The County will conduct a criminal background check (in accordance with statutory requirements) of any nominated Election Officer or Election Clerk who is expected to or scheduled to serve. Any person that does not satisfactorily pass the criminal background check or refuses to consent to a background check will be ineligible to serve in this Contracted Election. Failure to obtain a criminal background check does not release the Participating Entities' obligation for service rendered in good faith.
- Section 3.02. **POLLING PLACES.** The County will enter into lease agreements for polling places, including temporary branch polling locations, to effect this contract. Participating Entities agree to reimburse the County for expenses associated with any lease agreements for polling places, pursuant to Section 6.04.

ARTICLE IV ADMINISTRATOR DUTIES

- Section 4.01. **ELECTION SUPERVISOR.** The Administrator will coordinate, supervise, and conduct all aspects of administering voting in connection with the Contracted Election in compliance with all applicable laws.

- Section 4.02. **POLLING PLACES.** The Administrator will arrange for election day polling places, and the hours and location of early voting polling places, including temporary branch polling places. The Administrator will arrange for the physical preparation of each polling place, including tables, chairs, and voting booths.
- Section 4.03. **NOTICE OF PREVIOUS POLLING PLACE.** As necessary, The Administrator will post physical notices of a change in polling places as required by Section 43.062, Texas Election Code. Participating Entities will be responsible for any other notice requirements under Section 43.061, Texas Election Code.
- Section 4.04. **ELECTION SUPPLIES.** The Administrator shall, as necessary to conduct the Contracted Election, procure, prepare, and distribute election supplies to Election Officers for use at their respective polling locations during the Contracted Election.
- Section 4.05. **EARLY VOTING CLERK.** Pursuant to Sections 31.096 and 32.097(b), Texas Election Code, the Administrator will serve as the Early Voting Clerk for the Contracted Election, and will supervise and conduct the early voting by mail and by personal appearance as follows:
- (a) Appoint personnel to serve as early voting deputy clerks;
 - (b) Publish notice of early voting polling places, including temporary branch polling places;
 - (c) Receive and process mail ballot applications on behalf of the Participating Entities in accordance with Title 7, Texas Election Code, at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644;
 - (d) Secure and maintain early voting ballots at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, or other location as necessitated by County reorganization;
 - (e) Coordinate the Early Voting Ballot Board to meet at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644;
 - (f) Publish electronic notice of the Signature Verification Committee meeting, pursuant to Chapter 87.121(i)(1), Texas Election Code;
 - (g) Publish notice, including electronic notice, of the Early Voting Ballot Board meeting, pursuant to Chapter 87.027, Texas Election Code;
 - (h) Publish notice, including electronic notice, that voting materials have been delivered to the signature verification committee and early voting ballot board, pursuant to Sections 87.0221, 87.0222, 87.0223, 87.023, 87.024, and 87.027(h), Texas Election Code.
- Section 4.06. **ELECTION DAY DUTIES.** For each election day during the Contracted Election, not including early voting periods, the Administrator will coordinate, supervise, and conduct the election as follows:
- (a) Make himself available from 6:00A.M. until the completion of vote counting to render guidance, technical support, and assistance to voters, Election Officials, Election Clerks, and Participating Entities;
 - (b) Prepare and conduct post-election intake of election equipment, supplies, and records;
 - (c) Serve as central counting station manager and tabulation supervisor;

- (d) Count votes in conjunction with the Early Voting Ballot Board and Central Counting Station judges;

Section 4.07. **ELECTION NIGHT REPORTS.** The Administrator will prepare the unofficial and official tabulation of precinct results, as follows:

- (a) Periodically make a public announcement of the current state of the unofficial tabulation, at www.co.caldwell.tx.us/page/caldwell.ElectionsOffice;
- (b) Provide unofficial early voting precinct results and election day precinct results to Participating Entities as soon as administratively possible, but not earlier than the close of all polling places on the associated election day;
- (c) Reconvene the Early Voting Ballot Board after election day as necessary to determine the disposition of timely provisional votes and late mail ballots, and to resolve any issues with such ballots;
- (d) Promptly after final disposition of provisional votes and late mail ballots, the Administrator will retally and update the unofficial and official tabulation of precinct results with accepted provisional votes and resolved mail ballots, and provide new unofficial and official tabulations to the Participating Entities.

Section 4.08. **ELIGIBILITY OF ELECTION WORKERS.** The Administrator will notify all Election Officers and Election Clerks about the eligibility requirements contained in Title 3, Subchapter C, Texas Election Code, and Section 271.005, Texas Election Code. The Administrator will take necessary steps to ensure that all Election Officers and Election Clerks nominated to serve during the Contracted Election are qualified and eligible to serve.

Section 4.09. **NOMINATION OF ELECTION OFFICERS.** Administrator will provide to Participating Entities a list of persons to serve as Election Officers for the Contracted Election, attached as Attachment 'C'. If a person becomes unable or unwilling to serve as an Election Officer, the Administrator will nominate a replacement and, within 2 business days after amending Attachment 'C', forward the amended Attachment 'C' to the Participating Entities for appointment of the new nominee. Notwithstanding Section 7.08 of this contract, the County may update Attachment 'C' on receipt of a written communication from an appointed or nominated Election Officer indicating an inability or unwillingness to serve as an Election Officer.

Section 4.10. **NOTIFICATION OF APPOINTMENT TO ELECTION OFFICERS.** Within 72 hours of receiving notice of appointed Election Officers from Participating Entities, the Administrator will notify each appointed election officer of said appointment. The notification will also include the assigned polling station, the date of the election officer's election training(s), the date and time of the Contracted Election, the rate of compensation, the number of clerks the judge may appoint, the eligibility requirements for election clerks, and a list of nominated election clerks.

Section 4.11. **ELECTION TRAINING.** The Administrator will be responsible for conducting training for election officers and election clerks, as required by applicable law.

Section 4.12. **CENTRAL COUNTING STATION.** The Administrator will establish a central counting station to receive and tabulate ballots cast during the Contracted Election under Chapter 127, Texas Election Code. The central counting station will be located at the Caldwell County Elections Office, 1403 Blackjack Street, Lockhart, Texas 78644.

- Section 4.13. **LOGIC AND ACCURACY TESTING.** In advance of Early Voting, the Administrator, the tabulation supervisor, and other members the Administrator designates for the testing board shall conduct all logic and accuracy testing in accordance with applicable law and guidance provided by the Office of the Texas Secretary of State. The Administrator will be responsible for the publication of any required notice for logic and accuracy testing.
- Section 4.14. **REGISTERED VOTER LIST.** The Administrator will provide lists of registered voters as required by law for use during the Contracted Election.
- Section 4.15. **POLLING EQUIPMENT.** The Administrator will prepare and distribute the Elections Systems & Software (“ES&S”) Polling Equipment for the Contracted Election, with each polling location to have at least one voting machine that is accessible to disabled voters.
- Section 4.16. **BALLOTS.** The Administrator will be responsible for the printing, programming, and distribution of English and Spanish ballots and sample ballots, including mail ballots, based on the information provided by the Participating Entities pursuant to Section 2.11 of this contract. The Administrator will deliver the proposed ballots to the Participating Entities for approval prior to the printing, programming, and distribution of English and Spanish ballots and sample ballots, including mail ballots.
- Section 4.17. **CUSTODIAN OF ELECTION RECORDS.** The Administrator will serve as the general custodian for election records and will maintain and preserve election records generated as part of the Contracted Election, as required by law. Access to the election records will be available to each Participating Entity as well as to the public in accordance with the Texas Public Information Act, Chapter 552, Texas Government Code. Third-party notice to Participating Entities, pursuant to Chapter 552, will be provided subject to Section 7.04 of this contract.
- Section 4.18. **DELEGATION OF DUTIES.** The Administrator may, at his discretion, assign a deputy elections administrator to perform any of the contracted services.
- Section 4.19. **TIMELY PERFORMANCE.** The Administrator will perform all election services in compliance with all time requirements set out in the Texas Election Code.
- Section 4.20. **THIRD-PARTY CONTRACTS.** Pursuant to Section 31.098, Texas Election Code, the County is authorized to contract with third-parties for election services and supplies, to be included in any final invoice submitted to Participating Entities for payment subject to Sections 6.04 and 6.05 of this contract.

ARTICLE V TERM AND WITHDRAWAL

- Section 5.01. **INITIAL TERM.** The initial term of the contract will commence on the last party’s execution hereof, and expires with respect to an individual Participating Entity on the County’s receipt of that Participating Entity’s payment-in-full of a final invoices submitted by the Administrator.
- Section 5.02. **WITHDRAWAL.** Participating Entities may withdraw from this contract by delivering to the Administrator any certifications and declarations required under Subchapters C or D, Chapter 2, Texas Election Code. Delivery of said necessary certifications or

withdrawals must be provided by the statutory deadlines prescribed by the Texas Elections Code. Any Participating Entities withdrawing from this contract will be billed for any expenses incurred or obligated prior to the Administrator's receipt of said necessary certifications and declarations. A Participating Entity's obligation to pay for any expenses incurred or obligated prior to withdrawal, subject to Sections 6.04 and 6.05 of this contract, survives expiration, termination, or cancellation of this contract until paid-in-full by the Participating Entities.

ARTICLE VI COSTS AND PAYMENT

- Section 6.01. **ESTIMATED COST.** Participating Entities acknowledge that the estimate contained in Attachment 'A' is an estimate ONLY, and any required payment reflected in the final invoice may differ.
- Section 6.02. **FINAL INVOICE.** Final election expenses, as calculated pursuant to Sections 6.04 and 6.05 of this contract, will be determined within 120 business days after the conclusion of the Contracted Election. The Administrator will provide each Participating Entity with a final invoice.
- Section 6.03. **PAYMENT DATE.** An invoice for election services submitted by the Administrator to Participating Entities is due and payable to the address set forth in the invoice within 30 days from the date of its receipt by a Participating Entity. This provision survives expiration, termination, or cancellation of this contract until paid-in-full by the Participating Entities.
- Section 6.04. **PRORATED BILLING.** Participating Entities agree to share the costs of administering the Contracted Election. Allocation of costs for the entire election, unless specifically stated otherwise, will be shared between the Participating Entities based on a ration formula involving the total number of registered voters eligible to vote in the joint election and the number of registered voters associated with the individual Participating Entities for the joint election. The Participating Entities will be responsible for their percentage of the prorated cost or a minimum cost of \$500.00, whichever is greater. The cost of any special request from a Participating Entity which is not agreed upon by all Participating Entities, will be borne solely by the requesting Participating Entity.
- Section 6.05. **ADMINISTRATIVE FEE.** As authorized by Section 31.100, Texas Election Code, a general supervisory fee not to exceed 10% of the total cost of the election will be assessed, and not less than \$75.00.
- Section 6.06. **PAYMENT FROM CURRENT REVENUES.** Each Party paying for the performance of governmental functions or services under this contract will make payments from current revenues available to the paying party.

ARTICLE VII MISCELLANEOUS

- Section 7.01. **CONTRACT COPIES TO AUDITOR AND TREASURER.** Pursuant to Section 31.099, Texas Election Code, the Administrator will file a copy of this executed contract with the

Caldwell County Auditor and the Caldwell County Treasurer within 10 days of each Party's execution date.

Section 7.02. **SEVERABILITY.** If any provision of this contract is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect the remaining provisions of this contract in accordance with the intent of the parties to this contract as expressed in the terms and provisions.

Section 7.03. **FORCE MAJEURE.** Either of the parties to this Agreement shall be excused from any delays and/or failures in the performance of the terms and conditions of this Contract, to the extent that such delays and/or failures result from causes beyond the delaying/failing party's reasonable control, including but not limited to war (whether declared or not), armed conflict or the serious threat of the same (including but not limited to hostile attack, blockade, military embargo), hostilities, invasion, act of a foreign enemy, extensive military mobilization, civil war, riot, rebellion, revolution, military or usurped power, insurrection, civil commotion or disorder, mob violence, act of civil disobedience, act of terrorism, sabotage or piracy; plague, epidemic, pandemic, outbreaks of infectious disease or any other public health crisis, including quarantine, social distancing, isolation or other behavioral restrictions; act of authority whether lawful or unlawful, compliance with any law or governmental order, rule, regulation or direction, curfew restriction, expropriation, compulsory acquisition, seizure of works, requisition, nationalization; act of God or natural disaster such as but not limited to violent storm, cyclone, typhoon, hurricane, tornado, earthquake, landslide, flood, damage or destruction by lightning, drought; explosion, fire, destruction of machines, equipment and of any kind of installation, prolonged breakdown of transport, telecommunication or electric current; shortage or inability to obtain critical material or supplies to the extent not subject to the reasonable control of the subject party ("force majeure event ") whether foreseeable or unforeseeable by the parties at the time of the execution of this Agreement. Any delaying/failing party shall, with all reasonable diligence, attempt to remedy the cause of delay and/or failure and shall recommence all remaining duties under this Agreement within a reasonable time of such remedy, or, when applicable, on the next available dates under the Texas Election Code.

Section 7.04. **NOTICE.** Any addendum to, change or modification of, clarification of, or withdrawal from this contract requires written notice to and written approval by Caldwell County. Whenever this contract requires any consent, approval, notice, request, or demand, the writing must be delivered to the party intended to receive it and other Participating Entities, as provided in Attachment 'B'. Any required writing under this Section will be deemed to have been given when personally delivered or, if mailed, 72 hours after deposit of the same in the United States Mail, postage prepaid, certified, or registered, return receipt requested, property addressed to the contact person identified in Attachment 'B'. Notwithstanding this Section and Section 7.08 of this contract, the County may update Attachment 'B' on receipt of a written communication from a Participating Entity designating new contact information. Within two business days after Attachment 'B' is amended, the Administrator will send each Participating Entity a copy of the amended attachment.

Section 7.05. **LIABILITY.** All parties to this contract agree to be responsible, in accordance with applicable state or federal law, each for their own negligent acts or omissions, or other tortious conduct in the course of performance of this contract without waiving any sovereign immunity, governmental immunity, statutory immunity, or other defenses

available to the parties under federal or state law. Nothing in this paragraph will be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities. All parties agree that any such liability or damages occurring during the performance of this contract caused by the joint or comparative negligence of the parties, or their employees, agents, or officers will be determined in accordance with comparative responsibility laws of Texas, but only to the extent such laws are applicable to the party.

To the extent permitted by law, if legal action is filed against a party to this contract, that party shall be solely responsible for their own respective costs and defense of that suit.

Section 7.06. **CHOICE OF LAW.** This contract will be governed and interpreted by the laws of the State of Texas.

Section 7.07. **VENUE AND JURISDICTION.** Venue will lie in the district courts serving Caldwell County Texas, and are the exclusive jurisdiction and venue for any lawsuit, cause of action, temporary restraining order, temporary injunction, injunction, petition for extraordinary relief, mandamus, or any other legal proceeding or claim arising out of the performance of this contract.

Section 7.08. **ENTIRE CONTRACT.** This contract, including any exhibits or attachments, contains the entire agreement between the Administrator, the County, and the Participating Entities concerning the duties required by this contract. The Administrator and each Participating Entity hereby expressly warrant and represent that they are not relying on any promises or agreements that are not contained in this contract concerning any of the terms in this contract. Except otherwise specified in this contract, no modification, amendment, novation, renewal, or other alteration of this contract shall be effective unless mutually agreed upon in writing and executed by the Parties hereto.

Section 7.09. **PLURALITY, GENDER, AND HEADINGS.** In this contract, words in the singular number include the plural, and those in the plural include the singular. Words of any gender also refer to any other gender. Headings in this contract are descriptive only, and not terms of inclusion or exclusion.

Section 7.10. **RELATIONSHIP OF PARTIES.** The Participating Entities, including their agents or employees, are independent contractors and are not an agent, servant, joint enterpriser, joint venturer, or employee of the Administrator or the County, and are responsible for their own acts, forbearance, negligence, and deeds, and for those of their agents or employees in conjunction with the performance of services covered under this contract. The Participating Entities represent that they have, or will secure at their own expense, all personnel and consultants required in performing the services herein. Such personnel and consultants shall not be employees of or have any contractual relationship with the Administrator or the County.

Section 7.11. **DEFAULT, CUMULATIVE RIGHTS, AND MITIGATION.** It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this contract are cumulative, and no party's use of any right or remedy will preclude or waive its right to any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. All parties have a duty to mitigate damages.

Section 7.12. **REVIEW BY COUNSEL.** The County and Participating Entity acknowledge that each party has received and had the opportunity to review this contract, and each party has had the opportunity, whether exercised or not, to have each respective party's attorneys review this contract. The parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this contract, or any amendments or exhibits hereto.

Section 7.13. **SIGNATORY WARRANTY.** The signatories for the County, the Administrator, and Participating Entities represent that each has the full right, power, and authority to enter into and perform this contract in accordance with all of its terms and conditions, and that the execution and delivery of this contract has been made by authorized representatives of Participating Entities to validly and legally bind Participating Entities to all terms, performances, and provisions set forth in this contract.

Section 7.14. **COUNTERPARTS.** This contract may be executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts will be construed together and will constitute one and the same instrument.

IN WITNESS HEREOF, the parties hereto have executed this contract on this the ____ day of _____, 20____.

CALDWELL COUNTY, TEXAS:

Attest:

Hoppy Haden
Caldwell County Judge

Teresa Rodriguez
Caldwell County Clerk

Devante Coe
Caldwell County Elections Administrator

MUNICIPALITIES

CITY OF LOCKHART, TEXAS:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CITY OF LULING, TEXAS:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CITY OF MARTINDALE, TEXAS:

Attest:

Name: _____

Name: _____

Title: _____

CITY OF MUSTANG RIDGE, TEXAS:

Name: _____

Title: _____

CITY OF NIEDERWALD, TEXAS:

Name: _____

Title: _____

CITY OF SAN MARCOS, TEXAS:

Name: _____

Title: _____

CITY OF UHLAND, TEXAS:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

COMMUNITY COLLEGE DISTRICTS

AUSTIN COMMUNITY COLLEGE:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

INDEPENDENT SCHOOL DISTRICTS

GONZALES ISD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

HAYS COUNTY CISD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

LOCKHART ISD:

Attest:

Name: _____

Name: _____

Title: _____

LULING ISD:

Name: _____

Title: _____

PRAIRIE LEA ISD:

Name: _____

Title: _____

SAN MARCOS CISD:

Name: _____

Title: _____

WAEELDER ISD:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

WATER DISTRICTS

BARTON SPRINGS EDWARDS WCD:

Name: _____

Title: _____

BOLLINGER MUD:

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 1:

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 2:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 7:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY MUD No. 8:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY MUD No. 9:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL VALLEY MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CHISHOLM MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COTTON CENTER MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COTTON CENTER MUD No. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COUNTY LINE SUD:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

Attest:

EDWARDS AQUIFER AUTHORITY DISTRICT 11:

Name: _____

Name: _____

Title: _____

GOFORTH SUD:

Name: _____

Title: _____

GONZALES COUNTY UWCD:

Name: _____

Title: _____

LANTANA MUD:

Name: _____

Title: _____

MAXWELL SUD:

Name: _____

Title: _____

OATMAN HILL MUD:

Name: _____

Title: _____

OPEN R FRESH WATER SUPPLY:

Name: _____

Title: _____

PLUM CREEK CONSERVATION DISTRICT:

Name: _____

Title: _____

PLUM CREEK UNDERGROUND WATER DISTRICT:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

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Name: _____

Title: _____

Attest:

Name: _____

Title: _____

RANCH AT CLEAR FORK CREEK MUD NO. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

RANCH AT CLEAR FORK CREEK MUD NO. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

EMERGENCY SERVICES DISTRICTS

CALDWELL-HAYS ESD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 3

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 4:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 5:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

APPENDIX ‘A’

ESTIMATED COSTS FOR CONTRACTED ELECTION

ATTACHMENT 'B'

NOTICE INFORMATION FOR PARTIES

ATTACHMENT ‘C’

LIST OF ELECTION OFFICERS AND ELECTION CLERKS

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 20, 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
Gary Williamson, Police Chief
Sean Kelley, Public Works Director
Will Wachel, TRC Engineering

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Holly Malish, Economic Development Director
Keeli Michna, Finance Director
Tatianna Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: Dave Marsh of CARTS; Robert Lee Lewis, 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. DISCUSS AMENDING THE INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

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. During the July 16th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. Staff was directed to perform additional review and return to City Council for consideration. 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.

Dave Marsh of CARTS thanked the Lockhart City Council for continued support and for consideration of the increased funding request. There was discussion.

B. DISCUSS INTERLOCAL COOPERATION AGREEMENT BETWEEN LOCKHART INDEPENDENT SCHOOL DISTRICT AND THE CITY OF LOCKHART REGARDING SCHOOL RESOURCE OFFICERS FOR THE 24-25 SCHOOL YEAR AND A PROPOSED FIRST ADDENDUM TO THE INTERLOCAL COOPERATION AGREEMENT TO INCLUDE REIMBURSEMENT FROM LISD TO THE CITY FOR SRO SPECIAL ASSIGNMENT STIPEND.

Chief Williamson stated that this Interlocal Cooperation Agreement (ILA), for the 2024-2025 school year, between the Lockhart Independent School District and the City of Lockhart sets forth guidelines to ensure that Lockhart Police Department and Lockhart ISD have a shared understanding of the role and

responsibility of each in maintaining safe schools, and supporting educational opportunities for all students. The agreement details the SRO program structure, services to be provided, general duties and responsibilities, training, financial responsibilities and equipment, and the relationship between the parties. Lockhart ISD approved the 2024-2025 school year ILA on July 22, 2024. The purpose of the proposed First Addendum to the current ILA is to provide for reimbursement from LISD to the City for the amount of the SRO special assignment stipend paid to SROs. LISD is requesting and will fund the special assignment pay of \$1,000 per month from August 26, 2024 to May 31, 2025. This additional assignment pay shall cease at the end of the school year, May 31, 2025. This pay is in addition to their normal assignment pay of \$200 per month. This addendum is expected to be considered by the LISD Board soon. Amendments to Ordinance 2024-21 will be considered on a separate agenda item. There was discussion.

C. DISCUSS ORDINANCE 2024-21 AMENDING UN-CODIFIED ORDINANCE 2018-07, SECTION II (F) REGARDING THE ASSIGNMENT OF SCHOOL RESOURCE OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2018-07 REMAINING UNCHANGED.

Chief Williamson stated that the Lockhart Independent School District (LISD) has proposed to temporarily increase the assignment pay of Lockhart Police Officers assigned by the Police Chief as School Resource Officers at LISD campuses from August 26, 2024 through May 31, 2025. LISD will cover the expense of this increase as stated in the "First Addendum of the Interlocal Cooperation Agreement between Lockhart Independent School District and the City of Lockhart."

Civil Service - Local Government Code Chapter 143, permits an ordinance to establish assignment pay and shift differential pay for fire fighters and police officers that perform specialized assignments such as School Resource Officer. This was done by passing Ordinance 2018-07 which includes a \$200 per month school resource officer assignment pay. The proposed amendment authorizes an additional assignment payment of \$1,000 per month, as proposed by LISD, to be paid to Lockhart Police Officers assigned as SROs.

The additional pay is proposed to be for a term of August 26, 2024 - May 31, 2025. After May 31, 2025, SRO assignment pay would return to the current \$200 per month. This is similar to what was done earlier this year in March 2024, at that time a temporary additional pay was requested by LISD and approved for the remainder of the 23-24 school year which was from March 2024 through May 2024.

In accordance with the "First Addendum of the Interlocal Cooperation Agreement between Lockhart Independent School District and the City of Lockhart," the proposed temporary additional SRO assignment pay would be funded by LISD. Therefore, the additional pay should not have a financial impact on the City.

D. DISCUSS RESOLUTION 2024-20 BY THE CITY COUNCIL OF LOCKHART, TEXAS AND FOR LEGISLATIVE SUPPORT OF THE TEXAS STATE HIGHWAY 130 CONCESSION COMPANY AND ADDITIONAL INVESTMENT IN INFRASTRUCTURE.

Ms. Malish stated that a major initiative began in 2019 for advocacy of additional connectivity between SH 130 and I-35. This would benefit Lockhart by increasing regional mobility and providing additional accessibility for major industries and residents alike. Interest is increasing again to encourage the legislature and TxDOT to find a way to utilize SH 130's existing agreement to fund other area road improvements (not any new tolls). Caldwell County recently passed a Resolution in support of this.

E. DISCUSS MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) AND THE CITY OF LOCKHART REGARDING THE DEDICATION OF EASEMENTS RELATED TO THE CARRIZO GROUNDWATER SUPPLY PROJECT AND RELATED CLOSING DOCUMENTS, AND AUTHORIZING THE MAYOR TO SIGN, IF APPROVED.

Mr. Kelley stated that on June 4, 2024, City Council approved an MOA between the Guadalupe-Blanco River Authority and the City of Lockhart authorizing the dedication of two easements associated with Phase II of the Carrizo Water Supply Project. Recently, additional documents from GBRA's title company were submitted to the City for signature that were not apart of the initial easement and MOA packet. Consequently, under the direction of the City's Attorney, the signing of the additional closing documents will require authorization. The appraised value of the two easements is approximately \$134,350. GBRA asks that the City dedicate the easements to GBRA in consideration for a second delivery point provided to the City of Lockhart at the Cesar Chavez Elevated Storage Tank. The estimated cost for the second delivery point is \$1.95M in construction costs, which GBRA can offer to the City as compensation for the dedicated permanent easements. The second delivery point would be treated water with a dedicated chemical treatment feed, and a metering station. The connection size has been designed as a 12" water main connection. Establishing a second delivery point for treated water is important for several reasons, including:

- Create redundancy in the water system to make the utility more resilient.
- Diversify and increase the City's water supply pumping capacity beyond its current delivery point, which is centralized at the Water Treatment Plant's high service pump station.
- Provide additional water supply during outages, rehabilitation, or scheduled maintenance at the City's water treatment plant.

There was discussion.

F. DISCUSS THE AMENDED AND RENEWAL OF INTERLOCAL AGREEMENT (ILA) WITH PLUM CREEK WATERSHED PARTNERSHIP AND AUTHORIZING THE CITY MANAGER TO SIGN THE DOCUMENT IF APPROVED.

Mr. Kelley stated that the Plum Creek Partnership was created in 2006 and was established to restore and protect the waters of the Plum Creek. In 2011, the City along with other governmental agencies and utilities entered into an Interlocal Agreement regarding the partnership, which was renewed April 18, 2023. The Amended and Renewal Interlocal Agreement establishes the primary responsibilities and tasks of the Plum Creek Watershed Coordinator, found in Attachments A & B. The agreement also sets forth the annual financial commitment for each entity based on population and square miles. The City's annual commitment remains the same as last year at \$2,686.00. The terms of the agreement are for (1) one year and will automatically renew each year.

G. DISCUSS INTERLOCAL AGREEMENT BETWEEN TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL AND THE CITY OF LOCKHART FOR CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE.

Mr. Resendez stated that the City is a member of the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) to provide insurance for liability, property, errors and omissions, and other claims and coverage, including cyber liability and data breach response coverage. In 2016, TMLIRP began offering cyber liability coverage to all members. Since that time, cyber crimes have exponentially increased in both frequency and severity. Future cybercriminal activity is impossible to predict, which means neither the TMLIRP nor any other insurer can rely on past patterns and trends to predict future losses. The Board of Trustees recently approved the Pool's formation of a new Cyber Fund and updated cyber liability and data

breach response coverage, effective October 1, 2024. Each member of TMLIRP, including the City, must approve a new, separate interlocal agreement (ILA) to join the new Cyber Fund.

TMLIRP's cyber liability and data breach response coverage includes the following:

- Breach Response - which includes access to computer experts, public relations specialists, attorneys, negotiators, and others with experience responding to cyberattacks.
- Network Business Interruption - which can help cover the loss of income and extra expenses (for a limited period) caused by a cyberattack.
- Cyber Extortion - which can help with ransom payments to recover data.
- Data Recovery Costs - which can help with costs to restore data that was damaged, corrupted, and/or deleted.
- Fraud Protection - which can help (if certain conditions are met) with costs related to - for example - when an employee is tricked into sending money to a cybercriminal.

Currently, the City has Core+ Cyber Coverage, the highest coverage offered by TMLIRP. Staff recommends maintaining this level of coverage with the approval of the Cyber Fund ILA. To date, the City has not reported any cyber-related claims to TMLIRP.

There was discussion.

H. RECEIVE AND DISCUSS THE 3RD QUARTER FISCAL YEAR 2024 INVESTMENT REPORT.

Ms. Michna stated that 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. She provided details about the 3rd Quarter Investment Report of Fiscal Year End (FYE) 2024, ending June 30, 2024.

I. DISCUSS CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S SPECIAL ELECTION ON NOVEMBER 5, 2024.

Ms. Bowermon stated that the Caldwell County Elections Administrator (County EA) is conducting Elections on November 5, 2024. The City of Lockhart will hold a special election for a proposed charter amendment. Since 2010, in the interest of a public purpose, the City of Lockhart has contracted with the County EA to conduct City Elections to enable all propositions and public official positions to be on one ballot for voters within Caldwell County. The City of Lockhart shall pay an administrative fee of 10% of the total cost of the election and any runoff election or \$75, whichever is greater. In the event the services are provided for a joint election, the cost shall be equally prorated between the participating entities. The City of Lockhart ordered the November 5, 2024 Special Election during the previous Council meeting held on August 6, 2024. The Caldwell County Commissioners Court is anticipated to consider appointment of Central Count, Early Voting Ballot Board, and Election Day Judges at the next County Commissioners Court at the end of August. These appointments are referenced in the contact as Attachment 'C'. If necessary, after the County appointments these positions, an item will be placed on the following City Council meeting to consider acknowledging their appointments.

There was discussion.

J. DISCUSSION REGARDING NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Mayor stated that the vote will be considered during the regular meeting portion of the agenda.

RECESS: Mayor White announced that the Council would recess for a break at 7:15 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. There were none.

Robert Lee Lewis, 718 Chihuahua Street, expressed concern about shootings in the neighborhood. He expressed concern about an unfinished sewer line repair that left a dangerous deep manhole on the street. He requested that the manhole be repaired.

ITEM 4-A. HOLD A PUBLIC HEARING FOR THE PROPOSED CITY OF LOCKHART FISCAL YEAR 2024-2025 BUDGET.

Mayor White opened the public hearing at 7:37 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was staff's recommendation to hold two hearings to allow residents two opportunities to comment on the proposed budget. This is the first public hearing. The second public hearing will be held at 7:30 p.m. on September 3, 2024. There were updates about the proposed budget.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 7:48 p.m.

ITEM 5. CONSENT AGENDA.

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 5A, 5B, 5C and 5D. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

The following are the consent agenda items that were approved:

- 5A: Approve Memorandum of Agreement (MOA) between the Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding the dedication of easements related to the Carrizo Groundwater Supply Project and related closing documents, and authorizing the Mayor to sign if approved.
- 5B: Approve the Amended and Renewal of Interlocal Agreement (ILA) with Plum Creek Watershed Partnership and authorizing the City Manager to sign the document if approved.
- 5C: Approve Interlocal Agreement between Texas Municipal League Intergovernmental Risk Pool and the City of Lockhart for Cyber Liability and Data Breach Response Coverage.
- 5D: Accept the 3rd Quarter Fiscal Year 2024 Investment Report.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING AMENDING THE INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

There was discussion.

Mayor White made a motion to approve the Interlocal Agreement with CARTS with funding in the amount of \$30,000. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING INTERLOCAL COOPERATION AGREEMENT BETWEEN LOCKHART INDEPENDENT SCHOOL DISTRICT AND THE CITY OF LOCKHART REGARDING SCHOOL RESOURCE OFFICERS FOR THE 24-25 SCHOOL YEAR AND A PROPOSED FIRST ADDENDUM TO THE INTERLOCAL COOPERATION AGREEMENT TO INCLUDE REIMBURSEMENT FROM LISD TO THE CITY FOR SRO SPECIAL ASSIGNMENT STIPEND.

Councilmember Michelson made a motion to approve the Interlocal Cooperation Agreement and a First Addendum, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-21 AMENDING UN-CODIFIED ORDINANCE 2018-07, SECTION II (F) REGARDING THE ASSIGNMENT OF SCHOOL RESOURCE OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2018-07 REMAINING UNCHANGED.

Councilmember Lairsen made a motion to approve Ordinance 2024-21, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-20 BY THE CITY COUNCIL OF LOCKHART, TEXAS AND FOR LEGISLATIVE SUPPORT OF THE TEXAS STATE HIGHWAY 130 CONCESSION COMPANY AND ADDITIONAL INVESTMENT IN INFRASTRUCTURE.

Councilmember Michelson made a motion to approve Resolution 2024-20, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S SPECIAL ELECTION ON NOVEMBER 5, 2024.

Mayor Pro-Tem Sanchez made a motion to approve the contract with the Caldwell County Elections Administrator, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Rob Ortiz, 1004 N. Commerce Street, stated that he has served as an alternate on the Parks and Recreation Board for approximately 15 years and stated that he looked forward to serving as a regular member.

Councilmember Castillo made a motion to appoint Rob Ortiz to the Parks and Recreation Advisory Board. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

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

- Update regarding the TXCDBG Water Meter grant.
- Austin Community College annexation Election: upcoming Community Outreach event.
- Update regarding the Downtown Revitalization Project – pre-construction meeting scheduled for August 22nd.
- Final Courthouse Nights Music event of the summer will be held August 23rd.
- Lockhart Municipal Airport TxDOT Paving Project update – TxDOT anticipates resoliciting bids in November 2024 with construction estimated to start April 2025.

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

Councilmember Westmoreland encouraged everyone to be mindful of students and pedestrians during school hours.

Councilmember Mendoza expressed condolences to the Oliva and Sanchez family for their loss. He invited the Council to attend a seminar hosted by Denton and Navarro about city issues.

Mayor Pro-Tem Sanchez expressed condolences to the family of Chris Sanchez for their loss. She encouraged everyone to be safe and mindful of children walking during school hours. She wished students a successful school year.

Councilmember Lairsen stated that the Gaslight-Baker Theatre has renovated their venue to improve performance stages. He encouraged everyone to be safe during the extreme heat.

Councilmember Castillo expressed condolences to Oliva and Sanchez family for their loss. He thanked all that are working in the extreme heat, and he encouraged them to stay safe and hydrated.

Councilmember Michelson encouraged everyone to be safe and mindful of children walking during school hours. He encouraged everyone to be safe during the extreme heat.

Mayor White encouraged everyone to be safe and mindful of pedestrian traffic during school hours. He gave an update about the Old Carver School proposed renovations. He stated that some emergency hospitals have expressed interest in Lockhart, which staff will meet with soon. Staff is working on design standards to present to Council during the next meeting that will limit and/or prohibit Residential High Density development on San Antonio Street and major entrances to Lockhart. He expressed condolences to the family of Chris Sanchez for their loss.

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 8:01 p.m.

PASSED and APPROVED this the 5th day of August, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

SEPTEMBER 3, 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
Randy Jenkins, Fire Chief
Keeli Michna, Finance Director

Holly Malish, Economic Development Director
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Robin Cross, City Attorney
Tatiana Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: Danny Garza with Rise Broadband; Justin Rasor of Raftelis; and Brett Corwin, Developer.

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 BY PUBLIC WORKS AND DISCUSSION REGARDING UPDATES ON RISE BROADBAND FIBER INSTALLATION.

Mr. Kelley stated that on May 21, 2024, City Council heard a presentation regarding the future residential and non-residential installation of fiber internet services by Rise Broadband. Following that meeting, staff finalized installation protocols and issued the attached ROW permit dated June 14, 2024. On July 8th, Rise Broadband began installing components of their fiber network. Public Works presentation tonight includes updates on the progress of Rise's installation and will address a number of operational disruptions.

Mr. Kelley provided information and there was discussion regarding the following:

- Rise's fiber installation sections.
- Progress of the installations.
- Challenges with installing utilities city-wide.
- City of Lockhart maintenance responsibilities.
- Water and Wastewater Department are dedicated to restoring utility services promptly to minimize disruptions.
- Moving forward
 - Continue utilizing and abiding by the protocols in the permit.
 - Maintaining effective level of communication between the City and the Contractors.

- Promptly identifying issues with contractors so they can be corrected with the project manager.

Danny Garza of Rise Broadband provided information and there was discussion about the fiber installation process, maintenance, and working with the city during the construction phase.

B. PRESENTATION AND DISCUSSION OF RAFTELIS WATER AND WASTEWATER RATE STUDY AND FINANCIAL PLAN UPDATE.

Justin Rasor of Raftelis provided information and there was discussion regarding the following:

- Rate study process
- Financial Plan Assumptions
- Utility Financial Plan
- Cost of Service results
- Rate and typical bill comparison
- Next Steps – Council to consider utility rates at a future meeting

Council requested that utility customers be informed prior to implementation of the utility rate increases.

C. DISCUSS CITY COUNCIL MINUTES OF THE NOVEMBER 21, 2023 AND DECEMBER 3, 2023 MEETINGS.

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

D. DISCUSSION REGARDING RESOLUTION 2024-21 ACCEPTING A PETITION FOR AND CALLING A PUBLIC HEARING ON THE ADVISABILITY OF PUBLIC IMPROVEMENTS AND CREATION OF SEAWILLOW PUBLIC IMPROVEMENT DISTRICT PURSUANT TO CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE.

Mr. Lewis stated that 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 attached Resolution 2024-21 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. Resolution 2024-21 supersedes Resolution 2024-19, which was approved at the August 6, 2024 Council meeting. Resolution 2024-19 had the incorrect location for the public hearing. This new resolution corrects the location and sets a new public hearing date.

E. DISCUSS THE ANNUAL SERVICE AGREEMENT WITH MOTOROLA SOLUTIONS, INC. AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE SERVICE AGREEMENT FOR FY 2024-2025.

Chief Jenkins stated that the City of Lockhart and Caldwell County are currently on the Greater Austin-Travis Regional Radio System (GATRRS). The City of Lockhart annually reviews and renews a service

agreement with Motorola Solutions, Inc. for the maintenance and repair of the 700/800 MHz radio system (GATRRS) infrastructure which supports emergency radio communications for the City of Lockhart, Caldwell County, City of Luling, and the City of Martindale. According to an existing interlocal agreement with each entity, the City of Lockhart is responsible for billing each entity quarterly according to the number of radio units owned and in operation on the radio system. The current total number of radios on the system is 799, of which the City of Lockhart owns 208 radios (26.03%) and our share of the service agreement for FY 2024-2025 would be approximately \$42,362. The attached service agreement is for the fiscal year from October 1, 2024, through September 30, 2025, and is the same cost as last year's agreement. Due to the county wide transition to a new Lower Colorado River Authority (LCRA) voice radio communication system estimated to be completed in early 2025, the service agreement with Motorola Solutions, Inc. will be a month-to-month agreement and will be terminated upon successful transition to the new LCRA system. The maintenance of the LCRA system will be achieved through an interlocal agreement with LCRA and a monthly fee per radio.

F. DISCUSS AGREEMENT ORDER FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) REGARDING DOCKET NUMBER 2023-1209-PST-E INVOLVING UNDERGROUND STORAGE TANK (UST) TESTING AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT ORDER.

Mr. Kelley stated that on April 3, 2023, the Texas Commission on Environmental Quality conducted a routine inspection of the City of Lockhart Public Works and Airport underground fuel storage tanks. During the routine inspection, the inspector notified the City that during the COVID-19 pandemic timeframe, they failed to order release detention testing for the tanks based on the triennial requirement of October 10, 2021, along with the newly implemented spill bucket testing due every three years. Although the City has a long history of compliance with TCEQ testing requirements and the City's tanks are regularly maintained, resulting in no leakage or negative environmental impact, the mandatory tank testing was not completed during the pandemic. After the inspection, staff immediately obtained all required testing, came into compliance within three days of the inspection and submitted all required passing tests to TCEQ on April 6, 2023, prior to notice of enforcement. However, TCEQ sent notice of an Agreement Order to expedite enforcement action by way of an administrative penalty of \$3,001 on July 29, 2024. Currently, all testing for the underground storage tanks is in compliance with testing requirements and inventory history is up-to-date. Staff has implemented new testing protocols with a single testing company to ensure compliance. The new company offers automatic reminders prior to expiration of tests and submits documentation on behalf of entities. Staff have also internally made adjustments to align the testing schedule to coincide with the multiple site testing requirements. There was discussion.

G. DISCUSSION REGARDING ORDINANCE 2024-23 ADOPTING THE CITY OF LOCKHART'S ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2024-2025 AND APPROPRIATING RESOURCES, BEGINNING OCTOBER 1, 2024, ENDING SEPTEMBER 30, 2025, FOR THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION AND ADOPTING THE CITY'S INVESTMENT POLICY, FINANCIAL POLICY, AND FUND BALANCE - STABILIZATION AND EXCESS OF RESERVES POLICIES.

Mr. Resendez provided details about highlights of the proposed budget.

H. DISCUSSION REGARDING ORDINANCE 2024-24 LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS

FOR FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025.

Mr. Resendez stated that the proposed tax rate is \$0.5093 per \$100 of assessed value. The Ordinance describes the two required components of the tax rate; Maintenance and Operations (M&O) and Interest and Sinking (I&S). State law requires a statement regarding the amount by which taxes for maintenance and operations on a \$100,000 home will be raised. Based on the proposed tax rate, the maintenance and operations portion of the rate will be \$0.4067 per \$100 assessed value compared to last year's maintenance and operations rate of \$0.4136 per \$100 assessed value, resulting in a decrease of \$0.0069 or 1.7%. The interest and sinking portion of the tax rate decreased from \$0.1212 to \$0.1026 per \$100 assessed value, resulting in a decrease of \$0.0186 or 15.3%. Therefore, there will be no increase in the maintenance and operations tax due on a \$100,000 home. The City of Lockhart's portion of a homeowner's property tax bill is 26% of their total bill based on current tax rates. The remaining 74% of the tax bill is for property taxes charged by the other taxing jurisdictions, including the Lockhart Independent School District (46%), Caldwell County (22%), ESD #5 (4.8%), Plum Creek Conservation District and Groundwater tax (1.4%), and Farm-to-Market (0.005%). Property taxes paid to the City of Lockhart make up approximately 36% of the City's General Fund revenues. Sales tax revenue makes up another 19%, while other fees and services cover the remaining 45%. The revenues from the General Fund provide maintenance and operational support for streets, drainage, parks, infrastructure, police and fire protection. The verbiage contained within this ordinance is in compliance with requirements of Section 26.05(b)(1)(B) of the Texas Tax Code.

I. DISCUSSION REGARDING ORDINANCE 2024-25 REPEALING UNCODIFIED ORDINANCE 2023-19 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE.

Ms. Bowermon stated that the FY 24-25 Budget includes a 4% pay increase for all full-time and part-time regular City of Lockhart employees. It also includes an additional 1% pay increase to the civil service pay step plans for police officers and fire fighters, for a total of a 5% increase for these two departments. In compliance with Civil Service, classified police and fire positions are paid per a step pay plan, which is set by ordinance. The proposed ordinance reflects increasing the step plans as included in the budget. Agencies in central Texas continue to experience unremitting vacancies in public safety positions. Consequently, this 5% adjustment is being proposed to enhance Lockhart's ability to recruit and retain qualified police officers and fire fighters. The City will continue to offer the \$10,000 hiring incentive to police officers as well as the lateral entry pay program. Staff is currently exploring the possibility of proposing a lateral entry pay program for fire fighters in the future.

J. DISCUSSION REGARDING ORDINANCE 2024-26 REPEALING UN-CODIFIED ORDINANCE 2018-23 AND ADOPTING THIS ORDINANCE REGARDING ESTABLISHING THE CLASSIFICATIONS WITHIN THE FIRE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION.

Ms. Bowermon stated that in compliance with civil service, the number of classified police and fire positions are set by an ordinance, which is referred to as the "Strength of Force." Proposed Ordinance 2024-26 reflects reducing the number of firefighters by one (from 7 to 6) and increasing the number of fire engineers (apparatus operators) from 3 to 6. In the FY 23-24 Budget this change in staffing was approved to start around mid-April 2024. The increase in staffing, specifically fire engineers, was desired due to the purchase of an aerial apparatus (ladder truck) and the growth within the community. Fire engineers have additional training to safely and efficiently operate complex fire suppression systems on

equipment such as ladder trucks. The ladder truck is anticipated to arrive by the end of 2024, therefore it is now the appropriate time to finalize the staffing changes authorized in the FY 23-24 Budget.

K. DISCUSS RESOLUTION 2024-22, DENYING TEXAS GAS SERVICE COMPANY'S REQUESTED RATE INCREASE; REQUIRING THE COMPANY TO REIMBURSE THE CITY'S REASONABLE RATEMAKING EXPENSES; AND, REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND THE CITY'S LEGAL COUNSEL.

Mr. Lewis stated that on June 3, 2024, Texas Gas Service Company (“TGS” or “Company”), a Division of ONE Gas, Inc., pursuant to Gas Utility Regulatory Act § 104.102, 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 Service Area (“CGSA”), effective July 8, 2024. In a prior City action, TGS’s rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law, until October 4, 2024. This time period has permitted the City, through its participation in a coalition of similarly situated cities (“TGS Cities”), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of experts engaged by TGS Cities, TGS’s request for a rate increase should be denied.

Accordingly, the purpose of the Resolution is to deny the rate change application proposed by TGS.

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

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 8:05 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 AND DISCUSSION REGARDING APPLICATION ZC -24-06 BY THE MARILYN RIDDLE TRUST, AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2024-22 FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO 27.9955 ACRES OF CMB COMMERCIAL MEDIUM BUSINESS DISTRICT, 17.7206 ACRES OF RHD RESIDENTIAL HIGH DENSITY DISTRICT AND 132.0719 ACRES OF RMD RESIDENTIAL MEDIUM DENSITY DISTRICT ON 177.78 ACRES IN THE JAMES GEORGE SURVEY, ABSTRACT NUMBER 9, LOCATED IN THE 1500, 1600, AND 1700 BLOCKS OF SOUTH COMMERCE STREET.

Mayor White opened the public hearing at 8:10 p.m. and requested the staff background report.

Mr. Fowler stated that this zoning change request proposes to change the zoning for a 177.78-acre parcel from its current AO Agricultural-Open Space zoning to a mix of three different zoning districts. The proposed zoning would include CMB Commercial Medium Density zoning along South Commerce Street with Residential High Density to the east of the commercial zoning proposed along South Commerce

Street and Residential Medium Density taking up most of the remainder of the site. To avoid placing single-family homes in an area abutting the Coleman Unit prison, an additional area of Commercial Medium Business zoning has been proposed for the area immediately south of the prison. The future land use map shows both East Martin Luther King Jr. Industrial Boulevard (MLK) and Bufkin Lane continuing through the property, meeting south of the current section of MLK that terminates south of Blackjack Street. The proposed zoning district boundaries have been designed to carry these streets through the site. The site is mostly flat with a slight downward grade to the south and east. There are no areas of floodplain on the site. The site is crossed by several utility and pipeline easements, which may present a challenge in designing a subdivision on the property. Staff received a letter from the owners of the concrete plant to the north of the site expressing concern regarding the impact of potential residential development near their site. However, a representative of the batch plant has said that the location of commercial zoning adjacent to their property has at least partially addressed their concerns. Mr. Fowler stated that staff and the Planning and Zoning Commission recommend approval. There was discussion.

Mayor White requested the applicant to address the Council.

Brett Corwin, Developer, stated that they would consider providing access to existing roads, such as Commerce Street and East MLK with assistance from the city. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:28 p.m.

Councilmember Mendoza made a motion to approve Ordinance 2024-22, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 4-B. HOLD A PUBLIC HEARING FOR THE CITY OF LOCKHART AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION FISCAL YEAR 2024-2025 BUDGET.

Mayor White opened the public hearing at 8:29 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was staff's recommendation to hold two hearings to allow citizens an additional opportunity to comment on the proposed budget. This is the final public hearing.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:30 p.m.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-23 ADOPTING THE CITY OF LOCKHART'S ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2024-2025 AND APPROPRIATING RESOURCES, BEGINNING OCTOBER 1, 2024, ENDING SEPTEMBER 30, 2025, FOR THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION AND ADOPTING THE CITY'S INVESTMENT POLICY, FINANCIAL POLICY, AND FUND BALANCE - STABILIZATION AND EXCESS OF RESERVES POLICIES.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-23, as presented. Councilmember Westmoreland seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

ITEM 4-C. HOLD PUBLIC HEARING ON PROPOSED TAX RATE FOR 2024.

Mayor White opened the public hearing at 8:33 p.m. and requested the staff background report.

Mr. Resendez stated that the City Council is required to hold a public hearing on the proposal to increase the tax revenues if the proposed tax rate exceeds the No-New-Revenue rate calculated by the Caldwell County Appraisal District. This public hearing is required by the Truth-in-Taxation laws of the State of Texas.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-24 LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS FOR FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025.

Mayor White made the motion that the maintenance and operations rate be adopted at \$0.4067 per \$100 of assessed value as indicated/listed in Ordinance 2024-24, thereby adopting said ordinance. Councilmember Castillo seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

Mayor White made a motion that the interest and sinking rate be adopted at \$0.1026 per \$100 of assessed value as indicated/listed in Ordinance 2024-24, thereby adopting said ordinance. Councilmember Lairsen seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

ITEM 5. CONSENT AGENDA.

Councilmember Michelson made a motion to approve consent agenda items 5A, 5B, 5C and 5D. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

The following item were approved:

- 5A: Approve City Council minutes of the November 21, 2023 and December 3, 2023 meetings.
- 5B: Approve Resolution 2024-21 accepting a petition for and calling a public hearing on the advisability of public improvements and creation of Seawillow Public Improvement District pursuant to Chapter 372 of the Texas Local Government Code.
- 5C: Approve the Annual Service Agreement with Motorola Solutions, Inc. and authorize the City Manager to execute the Service Agreement for FY 2024-2025.
- 5D: Approve Resolution 2024-22, denying Texas Gas Service Company's requested rate increase; requiring the company to reimburse the City's reasonable ratemaking expenses; and, requiring notice of this resolution to the company and the City's legal counsel.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING AGREEMENT ORDER FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) REGARDING DOCKET NUMBER 2023-1209-PST-E INVOLVING UNDERGROUND STORAGE TANK (UST) TESTING AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT ORDER.

Mayor Pro-Tem Sanchez made a motion to approve the Agreement Order from TCEQ, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-25 REPEALING UNCODIFIED ORDINANCE 2023-19 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE.

Councilmember Michelson made a motion to approve Ordinance 2024-25, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-26 REPEALING UN-CODIFIED ORDINANCE 2018-23 AND ADOPTING THIS ORDINANCE REGARDING ESTABLISHING THE CLASSIFICATIONS WITHIN THE FIRE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION.

Councilmember Lairsen made a motion to approve Ordinance 2024-26, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING THE TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL BOARD OF TRUSTEES ELECTION FOR PLACES 11 - 14.

Mayor White provided an update about the election process and stated that the current members of places 11-14 are commendably serving their position on the Board. He requested recommendations for other appointments. There were none.

Mayor White recommended that the Lockhart City Council cast a vote for each of the following:

Randy Criswell (incumbent), Place 11
Allison Heyward (incumbent), Place 12
Harlan Jefferson (incumbent), Place 13
Mike Land (incumbent), Place 14

Mayor White made a motion to cast a vote for each incumbent in Places 11-14 of the Texas Municipal League Intergovernmental Risk Pool Board of Trustees, as listed above, and to authorize the Mayor to execute the necessary documents. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-G. DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING CREATING ZONING OVERLAYS TO REGULATE DESIGN STANDARDS IN THE ENTRANCE CORRIDORS ALONG HIGHWAY ENTRANCES INTO LOCKHART, AS REQUESTED BY MAYOR WHITE.

Mr. Fowler stated that Mayor White has suggested the City look into creating zoning overlays to protect the appearance and character of the entrance corridors in order to protect selected areas from possible negative effects of future development along those corridors. Typically, corridor zoning overlays involve additional regulations for a defined area in order to approve the appearance of new development, define allowable uses, and create additional regulations designed to refine the character of development within the overlay district. In addition to restricting uses, overlays will often have enhanced setback requirements, height or density limits, architectural standards, signage restrictions, landscaping requirements, site design standards, screening requirements, and site layout requirements. In order to craft a successful corridor zoning overlay, a city should determine the areas in which the overlay should be applied, the character of that area that is desired to be created or preserved, and the additional regulations that should be applied to the area to achieve the desired effects. If City Council expresses interest in creating corridor overlays, staff will work to craft a list of elements that could potentially be incorporated into overlays of each of the areas for which interest in creating an overlay is expressed. The resulting product would be one or more zoning overlay districts that would create additional regulations to which affected properties would be subject. To provide some background to the practice of applying zoning overlays to corridors, an introductory document defining overlay districts is attached, as is an example of an overlay ordinance from San Antonio.

After discussion, the consensus of the Council was to conduct a workshop with the City Planner to further discuss the zoning overlays.

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

- Construction for the Downtown Revitalization Project is beginning this week in the areas North of W. San Antonio St., between Hwy 183 and S. Main St., and some areas of Church St.
- Update regarding final draft of the Comprehensive Plan.
- Update regarding campaign to educate the community about illegal discharge of firearms.
- National Night Out is scheduled for October 1st.
- City Pool closed for the season on September 1st.
- Splash pads are currently still open, scheduled to closed October 27th.

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

Councilmember Mendoza stated that District 1 will hold a meeting during National Night Out. He thanked all involved with the public input meeting about the proposition on the ballot.

Mayor Pro-Tem Sanchez thanked the Lockhart Police Department for keeping Lockhart safe. She encouraged citizens to report crime. She wished the student athletes good luck during upcoming sporting events.

Councilmember Lairsen thanked staff for their work on the budget.

Councilmember Castillo thanked staff for their work on the budget. He thanked the Lockhart Police Department for keeping Lockhart safe.

Councilmember Michelson requested citizens to be patient during the Downtown Revitalization project.

Mayor White congratulated the football and running sports for their accomplishments. He also requested that citizens be patient during the Downtown Revitalization project. He provided information about an upcoming fly-in event at the Lockhart Airport.

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 9:13 p.m.

PASSED and APPROVED this the 5th day of August, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion regarding a request from Councilmember Lairsen to initiate possible amendments to Chapter 18, Environment, concerning code enforcement activities, including the support of voluntary compliance and reducing recurring violations.

ORIGINATING DEPARTMENT AND CONTACT: Council - John Lairsen

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: City Councilmember John Lairsen has requested an agenda item to discuss potential amendments to the City's Code of Ordinances related to code enforcement—specifically nuisance violations—to provide for additional methods to promote voluntary community compliance and reduce recurring violations.

PROJECT SCHEDULE (if applicable):

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Provide staff direction on whether to proceed with drafting amendments to the City's Code of Ordinances related to nuisance code enforcement, including guidance on the proposed form and content of such amendments.

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion regarding the appointment of members to a citizen planning committee 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: On July 15, 2025, Council discussed the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026 and how the City of Lockhart could develop its own spirited tribute to celebrate this occasion.

There was a consensus to appoint members to a citizen planning committee at a future meeting to explore and possibly plan activities to celebrate the 250th anniversary.

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:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Announcement of nomination of Jason De La Cruz to the Construction Board of Appeals by Councilmember John Castillo for a term to expire in November 2025.

ORIGINATING DEPARTMENT AND CONTACT: Council - John Castillo

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Councilmember John Castillo has nominated Jason De La Cruz to be appointed to the Construction Board of Appeals.

After reviewing the application, Mr. De La Cruz meets the qualifications to serve on a city board.

Resolution 2024-02 was adopted in 2024 establishing administrative procedures for the nomination of board and commission members to include a 2-step process. First, the nomination is to be placed on the agenda as "announcement of nomination" followed by a notice on a subsequent agenda as "discussion and/or action on the nomination."

This item is the announcement of nomination. If the Council should move to appoint Mr. De La Cruz to the board, action of appointment will occur during a subsequent Council meeting.

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: None. Discretion of the Council.

LIST OF SUPPORTING DOCUMENTS: CBOA Roster, Jason de la Cruz - CBOA Application

CONSTRUCTION BOARD OF APPEALS & ADJUSTMENTS

First	Last	Title	Address1	Construction Experience?	Council Member	Date Appt	Exp
Jerry	West	Vice-Chair County Resident	PO Box 41	Yes	John Lairsen	2/20/2024	2026
Raymond	DeLeon		1015 San Sacinto		Mayor White	1/19/2021	2026
Ian	Stowe		428 Trinity St.		Jeffry Michelson	12/20/2022	2026
VACANT	Oscar Torres	automatic resignation - missed 3+ consecutive meetings			John Castillo		
VACANT	Paul Martinez resigned	11-2-22 (county resident)			Angie Sanchez		2022
Gary	Schafer	Alternate	1212 Orange St.	Yes (Project Manager)	Brad Westmorel and	2/4/2020	2022
Michael	Voetee		517 E. Live Oak	Yes	Juan Mendoza	12/17/2019	2022

NOTES:

Section B104.4, Board Decision, is amended to read as follows:

The construction board of adjustments and appeals shall have the power, as further defined in Appendix B, to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of this Code [of Ordinances].

Section B101.2, Membership of Board, is amended to read as follows:

Each District Council Member and the Mayor shall appoint one member of the Construction Board of Appeals making it a five (5) member board and each Councilmember at Large shall appoint an alternate. The term of office of the board members shall be three (3) years, such terms coinciding with the council position making the appointment. The two (2) alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. Board members shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart.

Section 2-209- Method of Selection (6) Subject to other qualifications as specifically required for membership on the below boards and commissions, the city council shall have the right (but not the duty) to appoint up to two members who are not Lockhart citizens but who are residents of Caldwell County, to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the construction board of appeals.

* Quorum - three members

APPLICANT'S NAME: Jason De La CruzBOARD NAME(S): Construction Board of Appeals

The qualifications for members of boards and commissions, except special qualifications for service on a particular board or commission, are as follows:

- Appointees must each be a resident of the State of Texas and a resident of the City of Lockhart for at least twelve (12) consecutive months preceding their appointment unless a particular board's or commission's composition or state law allows for membership by a non-resident of the City.
Date of residency in Lockhart: ~~2006~~ 2006
- Appointees shall be qualified voters in the City of Lockhart or, if not a resident of the City, of Caldwell County.
Date qualified voter in Lockhart: 2011
- Appointees shall not have been removed from another city board or commission because of failure to attend meetings or for cause within the last three years.
Removed from another board? YES or NO
If yes, date _____ and board _____
- No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.
Serves on another board? YES or NO
If yes, board currently serving: _____

BOARD SPECIFIC QUALIFICATIONS:Construction Board

- Y or N Qualified by experience and/or training to pass on matters pertaining to building construction?
If yes, see application for details. (CURRENTLY A LICENSED CONTRACTOR IN THE CITY OF LOCKHART)
- Y or N City Resident?
- Y or N If no, Caldwell County resident?
- Up to two members who are not city residents but are residents of Caldwell County may serve.
- Current # members that are county residents? _____
- Y or N Employee of the City of Lockhart?

Construction Board of Appeals meets on the first and third Thursday at 9:00 a.m. each month if there are items pending the Board's review. The Board shall have the power to hear appeals of decisions and interpretations of the building official and to consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of the Lockhart Code of Ordinances. The Board shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart. Up to two members who are not city residents but are residents of Caldwell County may serve on the Board. The Board consists of seven members that serve a three-year term. The Building Official is the staff liaison.

CITY SECRETARY'S DETERMINATION OF APPLICANT'S QUALIFICATION:

Is Applicant Qualified?

YES

NO

DISCRETION OF THE COUNCIL

NOTES: _____

MAY 20 2025

In order to be considered for an appointment to a Lockhart Board or Commission, please complete the following application. You may also attach a current resume and letter of interest if you choose.

**CITY OF LOCKHART
CITY SECRETARY'S OFFICE****1. PERSONAL INFORMATION**

Full Legal Name	Jason De la Cruz		Preferred Name	Jany De la Cruz	
Physical Home Address	1607 Bluebell Circle				
Mailing Address (if different)					
City	Lockhart	State	Texas	Zip	78644
Home Phone	(512) 947-5089		Work Phone	Same	
Mobile Phone	-				
Email Address					
Date of Birth					

2. AREAS OF INTEREST

Please indicate the position(s) of interest to you.

☐	Airport Advisory Board	☐	Animal Shelter Advisory Board
☐	Zoning Board of Adjustment & Appeals	☐	Historical Preservation Commission
☐	Charter Review Commission	☐	Hotel Occupancy Tax Advisory Board
☒	Construction Board of Appeals	☐	Library Advisory Board
☐	Economic Development Corp (1/2 Cent Sales Tax)	☐	Parks & Recreation Advisory Board
☐	Electric Board	☐	Planning & Zoning Commission

In the space below, please explain your interest in the position(s) selected above. Also, please explain any experience you have related to your selection(s).

As a long-time community member and experienced construction professional, I'm committed to public safety, fair decision-making, and upholding local building standards. With 20 years of experience managing residential and commercial projects, coordinating with officials, and ensuring code compliance, I bring practical insight and problem-solving skills to the table. My role as a business owner reflects the accountability, professionalism, and sound judgement essential for serving on the Construction Board of Appeals.

3. BOARD MEMBER QUALIFICATIONS

The following are qualifications as outlined in Section 2-209 of the Lockhart Code of Ordinances to serve on a Board/Commission:

YES	NO	Please answer the following questions about Board/Commission qualifications:
☒	☐	Have you been a resident of the State of Texas/City of Lockhart for at least twelve (12) consecutive months preceding appointment?
☒	☐	Are you a registered voter?
☐	☒	Have you been removed from another city board or commission because of failure to attend meetings or for cause within the last three years?
☐	☒	Do you serve on any other City of Lockhart board/commission/committee at this time? If yes, please list: _____

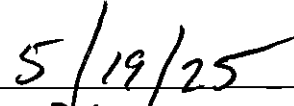
For your reference, the following additional qualifications apply to appointed Board/Commission members:

- A member who is required to be a resident of the city (or county when applicable) when appointed and who thereafter moves his or her primary residence outside of the corporate limits of Lockhart (or county when applicable) vacates his or her position on a board of commission on the date the residency changes.
- The City Council shall have the right, but not the duty, to appoint up to two members who are not city residents but who are residents of Caldwell County to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the Construction Board of Appeals.
- Any member of a board or commission who is absent from three consecutive regular meetings, or any four non-consecutive regular meetings of the board or commission during any twelve-month period, shall forfeit his or her position and the vacancy occurring shall be declared and filled by the Council.
- Members must maintain their qualifications while serving on a board or commission.
- No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.
- No appointed body shall deviate from its charge, deliberate items not on its agendas, or speak for the council or City of Lockhart without council authorization.
- Members appointed serve without compensation.

Certification of Applicant

I hereby certify that the foregoing and any attached statements are true, accurate and complete. I also understand that this application is subject to disclosure under the Texas Public Information Act.


Applicant's Signature


Date

Completed application, resume and letter of interest may be submitted in person, email, or by mail to:

City of Lockhart
City Secretary's Office
308 W. San Antonio Street / PO Box 239
Lockhart, TX 78644

Phone: 512.398.3461
jbowermon@lockhart-tx.org

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Approve Ordinance 2025-16 ordering a General Election on November 4, 2025 for the purpose of electing One Councilmember District 1; One Councilmember District 2; and, Two Councilmembers At-Large; providing for Joint Election with Caldwell County; establishing early voting locations and hours; ordering Notice of Election to be given as prescribed by law; and making provision for the conduct of the election.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Julie Bowermon

ACTION REQUESTED: Ordinance

BACKGROUND/SUMMARY/DISCUSSION: The City Council positions up for election on November 4, 2025 are District 1, District 2, and two At-Large. The Caldwell County Elections Administrator (County EA) will be conducting the November 4, 2025 election for several entities which includes the City of Lockhart. Ordinance 2025-16 provides details about the election and indicates that the City will contract with the County EA to conduct the election. The City Secretary's office will receive applications for a place on the ballot, post and publish notices, prepare ballot language, and be available to direct voters to the correct polling locations.

The filing period for a place on the ballot is July 19 – August 18.

The deadline to order an election is August 18, 2025.

State election laws require that early voting hours and locations be included in the City's Order of Election. Early voting will be conducted October 20 – 31. Early voting locations and hours are determined by the Caldwell County Commissioners' Court and the County EA. Early voting locations and hours are anticipated to be considered by Commissioners' Court during their meeting on August 12, 2025. If the County elects different locations and/or hours than what is included in this Order of Election ordinance, City Staff will return to the Council to update the necessary information.

The County is anticipated to approve/set Election Day polling locations in late August. Once Election Day polling locations have been set, City Staff will return to the Council to present the polling locations, as well as publish the required Notice of Election, which includes Election Day polling locations.

The costs associated with the election will depend on the number of entities involved in Caldwell County's November 4, 2025 General Election as well as the specific needs of each entity in the joint election. Entities that will be on the November 4 ballot include Caldwell County, City of Lockhart, City of Mustang Ridge, City of Niederwald, and multiple municipal utility districts, to name a few.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

For the 2023 election held jointly with the County, the City's cost was approximately \$13,000. The cost of the 2024 election is not yet available.

A contract for "Joint Election Services Between Caldwell County and Participating Entities" will be presented to the City Council during an upcoming City Council meeting. The County EA has provided a draft of the contract which has been included in this agenda packet for review.

PROJECT SCHEDULE (if applicable): Staff anticipates presenting a joint election contract for Council consideration during the August 19, 2025 Council meeting and Election Day polling locations following action by the Caldwell County Commissioners' Court.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: N/A

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Ordinance 2025-16 to comply with the August 18, 2025 order-of-election deadline.

LIST OF SUPPORTING DOCUMENTS: Ordinance 2025-16 ordering Nov 4 2025, 2025 Joint Election Services Contract - Uniform Election Template

ORDINANCE 2025-16

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, ORDERING A GENERAL ELECTION ON NOVEMBER 4, 2025 FOR THE PURPOSE OF ELECTING ONE COUNCILMEMBER DISTRICT 1; ONE COUNCILMEMBER DISTRICT 2; AND, TWO COUNCILMEMBERS AT-LARGE; PROVIDING FOR JOINT ELECTION WITH CALDWELL COUNTY; ESTABLISHING EARLY VOTING LOCATIONS AND HOURS; AND ORDERING NOTICE OF ELECTION TO BE GIVEN AS PRESCRIBED BY LAW; AND MAKING PROVISIONS FOR THE CONDUCT OF THE ELECTION.

WHEREAS, state and city law provide that on November 4, 2025 there shall be a general election for the purpose of electing one (1) Councilmember District 1; one (1) Councilmember District 2; and, two (2) Councilmembers At-Large.

WHEREAS, the City Council also has the authority pursuant to Chapter 271, Texas Election Code, to enter into a joint election agreement with Caldwell County, which is a political subdivision that is also holding an election on the same date.

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

Section 1. Order of General Election:

ORDER OF GENERAL ELECTION FOR MUNICIPALITIES ORDEN DE ELECCIÓN GENERAL PARA MUNICIPIOS

An election is hereby ordered to be held on November 4, 2025 for the purpose of voting on:

(Por la presente se ordena celebrar una elección el 4 de noviembre, 2025 con el propósito de votar sobre.)

List Offices/Propositions/Measures on the ballot *(Enúmere los puestos/proposiciones/medidas oficiales en la boleta)*

Councilmember District 1 <i>(Concejal del Distrito 1)</i>
Councilmember District 2 <i>(Concejal del Distrito 2)</i>
Two Councilmembers At-Large <i>(Dos Consejales A-Grande)</i>

Early voting by personal appearance will be conducted as follows:

(La votación adelantada en persona se llevará a cabo como previsto:)

The Main Early Voting Location *(sitio principal de votación adelantada)*

Scott Annex Building (Edificio Anexo Scott)
1403 Blackjack St.
Lockhart, Texas 78644

Early voting by personal appearance will be conducted:

Monday, October 20, 2025	8:00 a.m. - 5:00 p.m.
Tuesday, October 21, 2025	8:00 a.m. – 5:00 p.m.
Wednesday, October 22, 2025	8:00 a.m. – 5:00 p.m.
Thursday, October 23, 2025	8:00 a.m. – 5:00 p.m.
Friday, October 24, 2025	8:00 a.m. – 5:00 p.m.
Saturday, October 25, 2025	8:00 a.m. – 5:00 p.m.
Sunday, October 26, 2025	9:00 a.m. – 3:00 p.m.
Monday, October 27, 2025	8:00 a.m. – 5:00 p.m.
Tuesday, October 28, 2025	8:00 a.m. – 5:00 p.m.
Wednesday, October 29, 2025	8:00 a.m. – 5:00 p.m.
Thursday, October 30, 2025	7:00 a.m. – 7:00 p.m.
Friday, October 31, 2025	7:00 a.m. – 7:00 p.m.

Locations and hours may be changed by the County Elections Administrator.

The Council appoints Devante Coe, Caldwell County Elections Administrator, as the Early Voting Clerk. Applications for ballot by mail shall be mailed to:

(Las solicitudes para boletas que se votarán adelantada por correo deberán enviarse a:)

Early Voting Clerk

Devante Coe, Caldwell County Elections Administrator

1403 Blackjack Street, Suite A

Lockhart, Texas 78644

(512) 668-4347

Email Address: devante.coe@co.caldwell.tx.us

Website: www.co.caldwell.tx.us

Applications for Ballots by Mail (ABBM)s must be received no later than the close of business on: *(Las solicitudes para boletas que se votarán adelantada por correo deberán recibirse no más tardar de las horas de negocio el:)*

October 24, 2025 *(24 de octubre, 2025)*

Federal Post Card Applications (FPCAs) must be received no later than the close of business on: *(La Tarjeta Federal Postal de Solicitud deberán recibirse no más tardar de las horas de negocio el:)*

October 24, 2025 *(24 de octubre, 2025)*

Order of General Election Issued this 5th day of August, 2025.

(Emitida este día 5 de agosto, 2025)

Signature of Mayor (Firma del Alcalde)

Section 2. Election Duties. In the absence of the City Secretary, the City Manager and/or Assistant City Manager are hereby appointed to fulfill election duties in place of City Secretary as needed in accordance with Texas Elections Code Sec 31.123.

Section 3. Notice of Election. Notice of the Election, stating in substance the contents of this Ordinance, shall be published in the English and Spanish languages at least once in a newspaper published within CITY's territory at least 10 days and no more than 30 days, prior to the election, and as otherwise may be required by the Texas Election Code and Texas Local Government Code. Notice of the Elections shall also be posted on the bulletin board used by the Council to post notices of the Council's meetings no later than the 21st day before the Elections, or if the 21st day before the Elections falls on a weekend or holiday, on the first business day thereafter.

Section 4. Authorization to Execute. The Mayor of the CITY is authorized to execute and the City Secretary of the CITY is authorized to attest this Ordinance on behalf of the City Council; and the Mayor of the City Council is authorized to do all other things legal and necessary in connection with the holding and consummation of the Elections.

Section 5. Severability. If any provision, section, clause, sentence, or phrase of this ordinance is for any reason held to be unconstitutional, void, invalid, or un-enforced, the validity of the remainder of this ordinance or its application shall not be affected, it being the intent of the City Council in adopting and of the Mayor in approving this ordinance that no portion, provision, or regulation contained herein shall become inoperative or fail by way of reasons of any unconstitutionality or invalidity of any other portion, provision or regulation.

Section 6. Repealer. That all other ordinances, sections, or parts of ordinances heretofore adopted by the City of Lockhart in conflict with the provisions set out above in this ordinance are hereby repealed or amended as indicated.

Section 7. Publication. That the City Secretary is directed to cause the caption of this ordinance to be published in a newspaper of general circulation according to law.

Section 8. Effective Date. This Ordinance is effective immediately upon its passage and approval.

PASSED AND APPROVED on August 5, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon
City Secretary

Bradford E. Bullock, City Attorney

**JOINT ELECTION SERVICES CONTRACT
BETWEEN
CALDWELL COUNTY
ON BEHALF OF THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR
AND
PARTICIPATING ENTITIES**

WHEREAS, pursuant to Section 41.001(d), Texas Election Code, a county elections administrator shall enter into a contract to furnish election services for a uniform election date when requested by a political subdivision;

WHEREAS, for non-uniform election dates, pursuant to Section 31.092(a), Texas Election Code, the county election administrator may enter into a contract with the governing body of a political subdivision situated wholly or partly in the county served by the county elections administrator in any one or more elections ordered by an authority of the political subdivision;

WHEREAS, pursuant to Section 31.094, Texas Election Code, an election services contract may provide for the county election administrator to perform or supervise performance of any or all of the corresponding duties and functions the elections administrator performs in connection with a countywide election ordered by a county authority, other than the exceptions enumerated in Section 31.096, Texas Election Code.

WHEREAS, the Caldwell County, Texas (the “County”) is served by the Caldwell County Elections Administrator (the “Administrator”);

WHEREAS, the undersigned political subdivisions (individually or collectively referred to as the “Participating Entities”) that conduct elections are situated wholly or partly within the political boundaries of the County.

WHEREAS, for the _____ uniform election date and associated subsequent elections, some or all of the Participating Entities request the County, on behalf of the Administrator, to contract for the performance of election services; and

WHEREAS, to promote uniform and consistent elections held within the County, to assist in the reduction of fraud, protection of the secrecy of the ballot, promotion of voter access, and to ensure all legally cast ballots are counted, the County and undersigned Participating Entities intend to enter into a joint election services contract.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein, the County and undersigned Participating Entities do hereby agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.01. “Contracted Election” means the _____ uniform election, as generally described in Section 41.001(a), Texas Election Code, and accompanying early voting period, and, if applicable, any post-election services including any associated runoff elections, recounts, election contests, elections to resolve a tie, and any early voting periods associated with post-election services.

Section 1.02. “Election Officer” means an election judge, alternate election judge, early voting clerk, presiding judge of an early voting ballot board, alternate presiding judge of an early

voting ballot board, member of an early voting ballot board, chair of a signature verification committee, vice chair of a signature verification committee, member of a signature verification committee, presiding judge of a central counting station, alternate presiding judge of a central counting station, central counting station manager, central counting station clerk, tabulation supervisor, and assistant to a tabulation supervisor.

Section 1.03. "Election Clerk" means an election clerk, and deputy early voting clerk.

ARTICLE II PARTICIPATING ENTITY OBLIGATIONS

- Section 2.01. **RETAINED DUTIES.** Any duties and obligations not expressly transferred to the Administrator or the County under this agreement are retained by the Participating Entities. Nothing in this contract will be construed to authorize or permit a change in the office with whom or the place at which any document or recording related to the Contracted Election is to be filed, a Participating Entity's requirement to maintain office hours, or place at which any function of the canvass of the election returns is to be performed.
- Section 2.02. **JOINT ELECTION AUTHORIZED.** Participating Entities agree to conduct the Contracted Election jointly, as authorized by Chapter 271, Texas Election Code, with any other undersigned Participating Entities holding elections on the same day in all or part of the same territory in Caldwell County. Participating Entities agree and acknowledge that other Participating Entities may join this agreement subject only to County approval.
- Section 2.03. **PRECLEARANCE FOR SPECIAL ELECTIONS.** If required by law, Participating Entities will be individually responsible for obtaining appropriate preclearance from the United States Department of Justice for any special elections.
- Section 2.04. **APPOINTMENT OF EARLY VOTING CLERK.** Participating Entities, through their respective governing bodies, will appoint the Administrator to serve as the Early Voting Clerk for the Contracted Election.
- Section 2.05. **DESIGNATION OF VOTER REGISTRAR.** Participating Entities, through their respective governing bodies, will appoint the Administrator to serve as the Voter Registrar for the Contracted Election.
- Section 2.06. **APPOINTMENT OF ELECTION WORKERS.** Participating Entities, through their respective governing bodies, will appoint Election Officers and Election Clerks, as identified in Attachment 'C', pursuant to Section 4.09 of this contract.
- Section 2.07. **ELECTION OFFICIAL COMPENSATION APPROVAL.** Participating Entities, through their respective governing bodies, will set any compensation for election officers at rates consistent with the election cost estimate attached to this contract as Attachment 'A'.
- Section 2.08. **DESIGNATION OF CENTRAL COUNTING STATION.** Participating Entities, through their respective governing bodies, will designate the Caldwell County Elections Office, 1403 Blackjack Street, Lockhart, Texas 78644, as the Central Counting Station for the Contracted Election.

- Section 2.09. **DESIGNATION OF POLLING PLACES.** Participating Entities, through their respective governing bodies, will designate the Administrator's office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, as the main early voting polling place for the Contracted Election. Participating Entities, through their respective governing bodies, agree to designate other polling places, including early voting polling places and temporary early voting polling places as recommended by the Administrator.
- Section 2.10. **ELECTION ORDERS, NOTICES, AND LOCAL CANVASS.** Participating Entities will be responsible for the preparation, adoption, publication, and posting of all statutorily required election orders, notices, and other documents, including bilingual materials, evidencing action by the Participating Entities of all actions necessary to call and administer the Contracted Election, except as otherwise provided for in this contract. Participating Entities will conduct the local canvass.
- Section 2.11. **BALLOTS.** Participating Entities will be responsible for the preparation information contained in English and Spanish ballots and sample ballots, including mail ballots, and, as applicable, will determine the names of the candidates, names of the offices sought, order of names on the ballot, propositions on the ballot, and the Spanish translation of the offices and any propositions. This information will be provided to the Administrator no less than 60 days prior to any associated election day during the Contracted Election. The Participating Entities are responsible for proofreading and, if necessary, notifying the Administrator of necessary corrections to proposed ballots and sample ballots, including mail ballots, as provided by the Administrator.
- Section 2.12. **USE OF COMMON BALLOT.** It is agreed by the parties to this Agreement that a common ballot will be used for joint elections. The universal serial busses ("USBs") containing the voted ballots for an election will be delivered to the Administrator's office at 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, and the USBs will remain in the Administrator's custody, except that the County agrees to provide Participating Entities with the necessary documentation, if requested, for canvass of an election or in the event the voted ballots are required for a recount or any court proceedings in which a Participating Entity may be a party. The County agrees to maintain custody of the USBs containing the voted ballots for the period of time prescribed by the Texas Election Code. All USBs that are not placed in active voting equipment will remain locked in the Caldwell County Elections Office. USBs will not be replaced without being logged out and checked out by an Election Officer or Election Clerk at any time during an election. An audit shall be conducted to ensure that all USBs are present and accounted for. All replaced equipment will remain secured until after tabulation to ensure that all checks and balances have been satisfied.
- Section 2.013. **USE OF COMMON FORMS.** All forms used in the conduct of the election, including but not limited to the poll list, signature roster, ballot registers, expense accounts, and all oaths and certificates will be used jointly by the two agencies. All forms will be returned to the Administrator who shall keep them in his custody for the period prescribed by the Texas Election Code. The County agrees to furnish the Participating Entities with copies of any election documents upon the Participating Entity's request at no charge.
- Section 2.14. **APPLICATIONS FOR MAIL BALLOTS.** Participating Entities, through their respective governing bodies, will designate the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, to be the early voting clerk's mailing address

to which ballot applications and ballots voted by mail will be sent. Applications for mail ballots sent to Participating entities shall be promptly faxed to the Administrator or emailed to caldwellec@co.caldwell.tx.us for timely processing, with the original application forwarded to the Administrator for appropriate record retention.

- Section 2.15. **TRANSLATION.** Each Participating Entity is responsible for having its own election orders, resolutions, notices, or official ballot wording translated into the Spanish language if necessary.
- Section 2.16. **MAPS AND ANNEXATIONS.** Participating Entities will provide the Administrator with an updated map and street index, including address numbers, of its jurisdiction in an electronic format that is compatible with the mapping format used by the Administrator's office, and will provide notice to the Administrator of any new developments, annexations, de-annexations, and any other changes to the master voter registration list within the Participating Entities jurisdiction within the County.
- Section 2.17. **RECOUNT NOTICE.** Not later than 48 hours after it becomes aware that a recount is required by law or requested by a candidate, Participating Entities will provide notice to the Administrator that a recount must be conducted.
- Section 2.18. **ELECTION TO RESOLVE A TIE.** Notwithstanding any provision to the contrary, in the event an election is needed to resolve a tie vote, the affected Participating Entity and the Administrator will agree to an election date and early voting schedule in compliance with the Texas Election Code, with consideration given to other elections conducted by the Administrator. The cost for implementing an election under this section will be attributed solely to the affected Participating Entity.
- Section 2.19. **PRECINCT REPORTS TO THE SOS.** Participating Entities will prepare and file all required precinct reports with the Texas Secretary of State.

ARTICLE III COUNTY OBLIGATIONS

- Section 3.01. **BACKGROUND CHECK.** The County will conduct a criminal background check (in accordance with statutory requirements) of any nominated Election Officer or Election Clerk who is expected to or scheduled to serve. Any person that does not satisfactorily pass the criminal background check or refuses to consent to a background check will be ineligible to serve in this Contracted Election. Failure to obtain a criminal background check does not release the Participating Entities' obligation for service rendered in good faith.
- Section 3.02. **POLLING PLACES.** The County will enter into lease agreements for polling places, including temporary branch polling locations, to effect this contract. Participating Entities agree to reimburse the County for expenses associated with any lease agreements for polling places, pursuant to Section 6.04.

ARTICLE IV ADMINISTRATOR DUTIES

- Section 4.01. **ELECTION SUPERVISOR.** The Administrator will coordinate, supervise, and conduct all aspects of administering voting in connection with the Contracted Election in compliance with all applicable laws.

- Section 4.02. **POLLING PLACES.** The Administrator will arrange for election day polling places, and the hours and location of early voting polling places, including temporary branch polling places. The Administrator will arrange for the physical preparation of each polling place, including tables, chairs, and voting booths.
- Section 4.03. **NOTICE OF PREVIOUS POLLING PLACE.** As necessary, The Administrator will post physical notices of a change in polling places as required by Section 43.062, Texas Election Code. Participating Entities will be responsible for any other notice requirements under Section 43.061, Texas Election Code.
- Section 4.04. **ELECTION SUPPLIES.** The Administrator shall, as necessary to conduct the Contracted Election, procure, prepare, and distribute election supplies to Election Officers for use at their respective polling locations during the Contracted Election.
- Section 4.05. **EARLY VOTING CLERK.** Pursuant to Sections 31.096 and 32.097(b), Texas Election Code, the Administrator will serve as the Early Voting Clerk for the Contracted Election, and will supervise and conduct the early voting by mail and by personal appearance as follows:
- (a) Appoint personnel to serve as early voting deputy clerks;
 - (b) Publish notice of early voting polling places, including temporary branch polling places;
 - (c) Receive and process mail ballot applications on behalf of the Participating Entities in accordance with Title 7, Texas Election Code, at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644;
 - (d) Secure and maintain early voting ballots at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644, or other location as necessitated by County reorganization;
 - (e) Coordinate the Early Voting Ballot Board to meet at the Caldwell County Elections Office, 1403 Blackjack Street, Suite A, Lockhart, Texas 78644;
 - (f) Publish electronic notice of the Signature Verification Committee meeting, pursuant to Chapter 87.121(i)(1), Texas Election Code;
 - (g) Publish notice, including electronic notice, of the Early Voting Ballot Board meeting, pursuant to Chapter 87.027, Texas Election Code;
 - (h) Publish notice, including electronic notice, that voting materials have been delivered to the signature verification committee and early voting ballot board, pursuant to Sections 87.0221, 87.0222, 87.0223, 87.023, 87.024, and 87.027(h), Texas Election Code.
- Section 4.06. **ELECTION DAY DUTIES.** For each election day during the Contracted Election, not including early voting periods, the Administrator will coordinate, supervise, and conduct the election as follows:
- (a) Make himself available from 6:00A.M. until the completion of vote counting to render guidance, technical support, and assistance to voters, Election Officials, Election Clerks, and Participating Entities;
 - (b) Prepare and conduct post-election intake of election equipment, supplies, and records;
 - (c) Serve as central counting station manager and tabulation supervisor;

- (d) Count votes in conjunction with the Early Voting Ballot Board and Central Counting Station judges;

Section 4.07. **ELECTION NIGHT REPORTS.** The Administrator will prepare the unofficial and official tabulation of precinct results, as follows:

- (a) Periodically make a public announcement of the current state of the unofficial tabulation, at www.co.caldwell.tx.us/page/caldwell.ElectionsOffice;
- (b) Provide unofficial early voting precinct results and election day precinct results to Participating Entities as soon as administratively possible, but not earlier than the close of all polling places on the associated election day;
- (c) Reconvene the Early Voting Ballot Board after election day as necessary to determine the disposition of timely provisional votes and late mail ballots, and to resolve any issues with such ballots;
- (d) Promptly after final disposition of provisional votes and late mail ballots, the Administrator will retally and update the unofficial and official tabulation of precinct results with accepted provisional votes and resolved mail ballots, and provide new unofficial and official tabulations to the Participating Entities.

Section 4.08. **ELIGIBILITY OF ELECTION WORKERS.** The Administrator will notify all Election Officers and Election Clerks about the eligibility requirements contained in Title 3, Subchapter C, Texas Election Code, and Section 271.005, Texas Election Code. The Administrator will take necessary steps to ensure that all Election Officers and Election Clerks nominated to serve during the Contracted Election are qualified and eligible to serve.

Section 4.09. **NOMINATION OF ELECTION OFFICERS.** Administrator will provide to Participating Entities a list of persons to serve as Election Officers for the Contracted Election, attached as Attachment 'C'. If a person becomes unable or unwilling to serve as an Election Officer, the Administrator will nominate a replacement and, within 2 business days after amending Attachment 'C', forward the amended Attachment 'C' to the Participating Entities for appointment of the new nominee. Notwithstanding Section 7.08 of this contract, the County may update Attachment 'C' on receipt of a written communication from an appointed or nominated Election Officer indicating an inability or unwillingness to serve as an Election Officer.

Section 4.10. **NOTIFICATION OF APPOINTMENT TO ELECTION OFFICERS.** Within 72 hours of receiving notice of appointed Election Officers from Participating Entities, the Administrator will notify each appointed election officer of said appointment. The notification will also include the assigned polling station, the date of the election officer's election training(s), the date and time of the Contracted Election, the rate of compensation, the number of clerks the judge may appoint, the eligibility requirements for election clerks, and a list of nominated election clerks.

Section 4.11. **ELECTION TRAINING.** The Administrator will be responsible for conducting training for election officers and election clerks, as required by applicable law.

Section 4.12. **CENTRAL COUNTING STATION.** The Administrator will establish a central counting station to receive and tabulate ballots cast during the Contracted Election under Chapter 127, Texas Election Code. The central counting station will be located at the Caldwell County Elections Office, 1403 Blackjack Street, Lockhart, Texas 78644.

- Section 4.13. **LOGIC AND ACCURACY TESTING.** In advance of Early Voting, the Administrator, the tabulation supervisor, and other members the Administrator designates for the testing board shall conduct all logic and accuracy testing in accordance with applicable law and guidance provided by the Office of the Texas Secretary of State. The Administrator will be responsible for the publication of any required notice for logic and accuracy testing.
- Section 4.14. **REGISTERED VOTER LIST.** The Administrator will provide lists of registered voters as required by law for use during the Contracted Election.
- Section 4.15. **POLLING EQUIPMENT.** The Administrator will prepare and distribute the Elections Systems & Software (“ES&S”) Polling Equipment for the Contracted Election, with each polling location to have at least one voting machine that is accessible to disabled voters.
- Section 4.16. **BALLOTS.** The Administrator will be responsible for the printing, programming, and distribution of English and Spanish ballots and sample ballots, including mail ballots, based on the information provided by the Participating Entities pursuant to Section 2.11 of this contract. The Administrator will deliver the proposed ballots to the Participating Entities for approval prior to the printing, programming, and distribution of English and Spanish ballots and sample ballots, including mail ballots.
- Section 4.17. **CUSTODIAN OF ELECTION RECORDS.** The Administrator will serve as the general custodian for election records and will maintain and preserve election records generated as part of the Contracted Election, as required by law. Access to the election records will be available to each Participating Entity as well as to the public in accordance with the Texas Public Information Act, Chapter 552, Texas Government Code. Third-party notice to Participating Entities, pursuant to Chapter 552, will be provided subject to Section 7.04 of this contract.
- Section 4.18. **DELEGATION OF DUTIES.** The Administrator may, at his discretion, assign a deputy elections administrator to perform any of the contracted services.
- Section 4.19. **TIMELY PERFORMANCE.** The Administrator will perform all election services in compliance with all time requirements set out in the Texas Election Code.
- Section 4.20. **THIRD-PARTY CONTRACTS.** Pursuant to Section 31.098, Texas Election Code, the County is authorized to contract with third-parties for election services and supplies, to be included in any final invoice submitted to Participating Entities for payment subject to Sections 6.04 and 6.05 of this contract.

ARTICLE V TERM AND WITHDRAWAL

- Section 5.01. **INITIAL TERM.** The initial term of the contract will commence on the last party’s execution hereof, and expires with respect to an individual Participating Entity on the County’s receipt of that Participating Entity’s payment-in-full of a final invoices submitted by the Administrator.
- Section 5.02. **WITHDRAWAL.** Participating Entities may withdraw from this contract by delivering to the Administrator any certifications and declarations required under Subchapters C or D, Chapter 2, Texas Election Code. Delivery of said necessary certifications or

withdrawals must be provided by the statutory deadlines prescribed by the Texas Elections Code. Any Participating Entities withdrawing from this contract will be billed for any expenses incurred or obligated prior to the Administrator's receipt of said necessary certifications and declarations. A Participating Entity's obligation to pay for any expenses incurred or obligated prior to withdrawal, subject to Sections 6.04 and 6.05 of this contract, survives expiration, termination, or cancellation of this contract until paid-in-full by the Participating Entities.

ARTICLE VI COSTS AND PAYMENT

- Section 6.01. **ESTIMATED COST.** Participating Entities acknowledge that the estimate contained in Attachment 'A' is an estimate ONLY, and any required payment reflected in the final invoice may differ.
- Section 6.02. **FINAL INVOICE.** Final election expenses, as calculated pursuant to Sections 6.04 and 6.05 of this contract, will be determined within 120 business days after the conclusion of the Contracted Election. The Administrator will provide each Participating Entity with a final invoice.
- Section 6.03. **PAYMENT DATE.** An invoice for election services submitted by the Administrator to Participating Entities is due and payable to the address set forth in the invoice within 30 days from the date of its receipt by a Participating Entity. This provision survives expiration, termination, or cancellation of this contract until paid-in-full by the Participating Entities.
- Section 6.04. **PRORATED BILLING.** Participating Entities agree to share the costs of administering the Contracted Election. Allocation of costs for the entire election, unless specifically stated otherwise, will be shared between the Participating Entities based on a ration formula involving the total number of registered voters eligible to vote in the joint election and the number of registered voters associated with the individual Participating Entities for the joint election. The Participating Entities will be responsible for their percentage of the prorated cost or a minimum cost of \$500.00, whichever is greater. The cost of any special request from a Participating Entity which is not agreed upon by all Participating Entities, will be borne solely by the requesting Participating Entity.
- Section 6.05. **ADMINISTRATIVE FEE.** As authorized by Section 31.100, Texas Election Code, a general supervisory fee not to exceed 10% of the total cost of the election will be assessed, and not less than \$75.00.
- Section 6.06. **PAYMENT FROM CURRENT REVENUES.** Each Party paying for the performance of governmental functions or services under this contract will make payments from current revenues available to the paying party.

ARTICLE VII MISCELLANEOUS

- Section 7.01. **CONTRACT COPIES TO AUDITOR AND TREASURER.** Pursuant to Section 31.099, Texas Election Code, the Administrator will file a copy of this executed contract with the

Caldwell County Auditor and the Caldwell County Treasurer within 10 days of each Party's execution date.

Section 7.02. **SEVERABILITY.** If any provision of this contract is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability shall not affect the remaining provisions of this contract in accordance with the intent of the parties to this contract as expressed in the terms and provisions.

Section 7.03. **FORCE MAJEURE.** Either of the parties to this Agreement shall be excused from any delays and/or failures in the performance of the terms and conditions of this Contract, to the extent that such delays and/or failures result from causes beyond the delaying/failing party's reasonable control, including but not limited to war (whether declared or not), armed conflict or the serious threat of the same (including but not limited to hostile attack, blockade, military embargo), hostilities, invasion, act of a foreign enemy, extensive military mobilization, civil war, riot, rebellion, revolution, military or usurped power, insurrection, civil commotion or disorder, mob violence, act of civil disobedience, act of terrorism, sabotage or piracy; plague, epidemic, pandemic, outbreaks of infectious disease or any other public health crisis, including quarantine, social distancing, isolation or other behavioral restrictions; act of authority whether lawful or unlawful, compliance with any law or governmental order, rule, regulation or direction, curfew restriction, expropriation, compulsory acquisition, seizure of works, requisition, nationalization; act of God or natural disaster such as but not limited to violent storm, cyclone, typhoon, hurricane, tornado, earthquake, landslide, flood, damage or destruction by lightning, drought; explosion, fire, destruction of machines, equipment and of any kind of installation, prolonged breakdown of transport, telecommunication or electric current; shortage or inability to obtain critical material or supplies to the extent not subject to the reasonable control of the subject party ("force majeure event ") whether foreseeable or unforeseeable by the parties at the time of the execution of this Agreement. Any delaying/failing party shall, with all reasonable diligence, attempt to remedy the cause of delay and/or failure and shall recommence all remaining duties under this Agreement within a reasonable time of such remedy, or, when applicable, on the next available dates under the Texas Election Code.

Section 7.04. **NOTICE.** Any addendum to, change or modification of, clarification of, or withdrawal from this contract requires written notice to and written approval by Caldwell County. Whenever this contract requires any consent, approval, notice, request, or demand, the writing must be delivered to the party intended to receive it and other Participating Entities, as provided in Attachment 'B'. Any required writing under this Section will be deemed to have been given when personally delivered or, if mailed, 72 hours after deposit of the same in the United States Mail, postage prepaid, certified, or registered, return receipt requested, property addressed to the contact person identified in Attachment 'B'. Notwithstanding this Section and Section 7.08 of this contract, the County may update Attachment 'B' on receipt of a written communication from a Participating Entity designating new contact information. Within two business days after Attachment 'B' is amended, the Administrator will send each Participating Entity a copy of the amended attachment.

Section 7.05. **LIABILITY.** All parties to this contract agree to be responsible, in accordance with applicable state or federal law, each for their own negligent acts or omissions, or other tortious conduct in the course of performance of this contract without waiving any sovereign immunity, governmental immunity, statutory immunity, or other defenses

available to the parties under federal or state law. Nothing in this paragraph will be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities. All parties agree that any such liability or damages occurring during the performance of this contract caused by the joint or comparative negligence of the parties, or their employees, agents, or officers will be determined in accordance with comparative responsibility laws of Texas, but only to the extent such laws are applicable to the party.

To the extent permitted by law, if legal action is filed against a party to this contract, that party shall be solely responsible for their own respective costs and defense of that suit.

Section 7.06. **CHOICE OF LAW.** This contract will be governed and interpreted by the laws of the State of Texas.

Section 7.07. **VENUE AND JURISDICTION.** Venue will lie in the district courts serving Caldwell County Texas, and are the exclusive jurisdiction and venue for any lawsuit, cause of action, temporary restraining order, temporary injunction, injunction, petition for extraordinary relief, mandamus, or any other legal proceeding or claim arising out of the performance of this contract.

Section 7.08. **ENTIRE CONTRACT.** This contract, including any exhibits or attachments, contains the entire agreement between the Administrator, the County, and the Participating Entities concerning the duties required by this contract. The Administrator and each Participating Entity hereby expressly warrant and represent that they are not relying on any promises or agreements that are not contained in this contract concerning any of the terms in this contract. Except otherwise specified in this contract, no modification, amendment, novation, renewal, or other alteration of this contract shall be effective unless mutually agreed upon in writing and executed by the Parties hereto.

Section 7.09. **PLURALITY, GENDER, AND HEADINGS.** In this contract, words in the singular number include the plural, and those in the plural include the singular. Words of any gender also refer to any other gender. Headings in this contract are descriptive only, and not terms of inclusion or exclusion.

Section 7.10. **RELATIONSHIP OF PARTIES.** The Participating Entities, including their agents or employees, are independent contractors and are not an agent, servant, joint enterpriser, joint venturer, or employee of the Administrator or the County, and are responsible for their own acts, forbearance, negligence, and deeds, and for those of their agents or employees in conjunction with the performance of services covered under this contract. The Participating Entities represent that they have, or will secure at their own expense, all personnel and consultants required in performing the services herein. Such personnel and consultants shall not be employees of or have any contractual relationship with the Administrator or the County.

Section 7.11. **DEFAULT, CUMULATIVE RIGHTS, AND MITIGATION.** It is not a waiver of default if the non-defaulting party fails to immediately declare a default or delays in taking any action. The rights and remedies provided by this contract are cumulative, and no party's use of any right or remedy will preclude or waive its right to any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise. All parties have a duty to mitigate damages.

Section 7.12. **REVIEW BY COUNSEL.** The County and Participating Entity acknowledge that each party has received and had the opportunity to review this contract, and each party has had the opportunity, whether exercised or not, to have each respective party's attorneys review this contract. The parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this contract, or any amendments or exhibits hereto.

Section 7.13. **SIGNATORY WARRANTY.** The signatories for the County, the Administrator, and Participating Entities represent that each has the full right, power, and authority to enter into and perform this contract in accordance with all of its terms and conditions, and that the execution and delivery of this contract has been made by authorized representatives of Participating Entities to validly and legally bind Participating Entities to all terms, performances, and provisions set forth in this contract.

Section 7.14. **COUNTERPARTS.** This contract may be executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts will be construed together and will constitute one and the same instrument.

IN WITNESS HEREOF, the parties hereto have executed this contract on this the ____ day of _____, 20____.

CALDWELL COUNTY, TEXAS:

Attest:

Hoppy Haden
Caldwell County Judge

Teresa Rodriguez
Caldwell County Clerk

Devante Coe
Caldwell County Elections Administrator

MUNICIPALITIES

CITY OF LOCKHART, TEXAS:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CITY OF LULING, TEXAS:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CITY OF MARTINDALE, TEXAS:

Attest:

Name: _____

Name: _____

Title: _____

CITY OF MUSTANG RIDGE, TEXAS:

Name: _____

Title: _____

CITY OF NIEDERWALD, TEXAS:

Name: _____

Title: _____

CITY OF SAN MARCOS, TEXAS:

Name: _____

Title: _____

CITY OF UHLAND, TEXAS:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

COMMUNITY COLLEGE DISTRICTS

AUSTIN COMMUNITY COLLEGE:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

INDEPENDENT SCHOOL DISTRICTS

GONZALES ISD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

HAYS COUNTY CISD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

LOCKHART ISD:

Attest:

Name: _____

Name: _____

Title: _____

LULING ISD:

Name: _____

Title: _____

PRAIRIE LEA ISD:

Name: _____

Title: _____

SAN MARCOS CISD:

Name: _____

Title: _____

WAELDER ISD:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

WATER DISTRICTS

BARTON SPRINGS EDWARDS WCD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

BOLLINGER MUD:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 1:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 2:

Attest:

Name: _____

Title: _____

Name: _____

Title: _____

CALDWELL COUNTY MUD No. 7:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY MUD No. 8:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY MUD No. 9:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL VALLEY MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CHISHOLM MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COTTON CENTER MUD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COTTON CENTER MUD No. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

COUNTY LINE SUD:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

Attest:

EDWARDS AQUIFER AUTHORITY DISTRICT 11:

Name: _____

Name: _____

Title: _____

GOFORTH SUD:

Name: _____

Title: _____

GONZALES COUNTY UWCD:

Name: _____

Title: _____

LANTANA MUD:

Name: _____

Title: _____

MAXWELL SUD:

Name: _____

Title: _____

OATMAN HILL MUD:

Name: _____

Title: _____

OPEN R FRESH WATER SUPPLY:

Name: _____

Title: _____

PLUM CREEK CONSERVATION DISTRICT:

Name: _____

Title: _____

PLUM CREEK UNDERGROUND WATER DISTRICT:

Name: _____

Title: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

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Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

Attest:

Name: _____

Title: _____

RANCH AT CLEAR FORK CREEK MUD NO. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

RANCH AT CLEAR FORK CREEK MUD NO. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

EMERGENCY SERVICES DISTRICTS

CALDWELL-HAYS ESD No. 1:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 2:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 3

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 4:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

CALDWELL COUNTY ESD No. 5:

Attest:

Name: _____
Title: _____

Name: _____
Title: _____

APPENDIX ‘A’

ESTIMATED COSTS FOR CONTRACTED ELECTION

ATTACHMENT 'B'

NOTICE INFORMATION FOR PARTIES

ATTACHMENT ‘C’

LIST OF ELECTION OFFICERS AND ELECTION CLERKS

**REGULAR MEETING
LOCKHART CITY COUNCIL**

AUGUST 20, 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
Gary Williamson, Police Chief
Sean Kelley, Public Works Director
Will Wachel, TRC Engineering

Brad Bullock, City Attorney
Julie Bowermon, City Secretary
Holly Malish, Economic Development Director
Keeli Michna, Finance Director
Tatianna Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: Dave Marsh of CARTS; Robert Lee Lewis, 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. DISCUSS AMENDING THE INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

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. During the July 16th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. Staff was directed to perform additional review and return to City Council for consideration. 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.

Dave Marsh of CARTS thanked the Lockhart City Council for continued support and for consideration of the increased funding request. There was discussion.

B. DISCUSS INTERLOCAL COOPERATION AGREEMENT BETWEEN LOCKHART INDEPENDENT SCHOOL DISTRICT AND THE CITY OF LOCKHART REGARDING SCHOOL RESOURCE OFFICERS FOR THE 24-25 SCHOOL YEAR AND A PROPOSED FIRST ADDENDUM TO THE INTERLOCAL COOPERATION AGREEMENT TO INCLUDE REIMBURSEMENT FROM LISD TO THE CITY FOR SRO SPECIAL ASSIGNMENT STIPEND.

Chief Williamson stated that this Interlocal Cooperation Agreement (ILA), for the 2024-2025 school year, between the Lockhart Independent School District and the City of Lockhart sets forth guidelines to ensure that Lockhart Police Department and Lockhart ISD have a shared understanding of the role and

responsibility of each in maintaining safe schools, and supporting educational opportunities for all students. The agreement details the SRO program structure, services to be provided, general duties and responsibilities, training, financial responsibilities and equipment, and the relationship between the parties. Lockhart ISD approved the 2024-2025 school year ILA on July 22, 2024. The purpose of the proposed First Addendum to the current ILA is to provide for reimbursement from LISD to the City for the amount of the SRO special assignment stipend paid to SROs. LISD is requesting and will fund the special assignment pay of \$1,000 per month from August 26, 2024 to May 31, 2025. This additional assignment pay shall cease at the end of the school year, May 31, 2025. This pay is in addition to their normal assignment pay of \$200 per month. This addendum is expected to be considered by the LISD Board soon. Amendments to Ordinance 2024-21 will be considered on a separate agenda item. There was discussion.

C. DISCUSS ORDINANCE 2024-21 AMENDING UN-CODIFIED ORDINANCE 2018-07, SECTION II (F) REGARDING THE ASSIGNMENT OF SCHOOL RESOURCE OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2018-07 REMAINING UNCHANGED.

Chief Williamson stated that the Lockhart Independent School District (LISD) has proposed to temporarily increase the assignment pay of Lockhart Police Officers assigned by the Police Chief as School Resource Officers at LISD campuses from August 26, 2024 through May 31, 2025. LISD will cover the expense of this increase as stated in the "First Addendum of the Interlocal Cooperation Agreement between Lockhart Independent School District and the City of Lockhart."

Civil Service - Local Government Code Chapter 143, permits an ordinance to establish assignment pay and shift differential pay for fire fighters and police officers that perform specialized assignments such as School Resource Officer. This was done by passing Ordinance 2018-07 which includes a \$200 per month school resource officer assignment pay. The proposed amendment authorizes an additional assignment payment of \$1,000 per month, as proposed by LISD, to be paid to Lockhart Police Officers assigned as SROs.

The additional pay is proposed to be for a term of August 26, 2024 - May 31, 2025. After May 31, 2025, SRO assignment pay would return to the current \$200 per month. This is similar to what was done earlier this year in March 2024, at that time a temporary additional pay was requested by LISD and approved for the remainder of the 23-24 school year which was from March 2024 through May 2024.

In accordance with the "First Addendum of the Interlocal Cooperation Agreement between Lockhart Independent School District and the City of Lockhart," the proposed temporary additional SRO assignment pay would be funded by LISD. Therefore, the additional pay should not have a financial impact on the City.

D. DISCUSS RESOLUTION 2024-20 BY THE CITY COUNCIL OF LOCKHART, TEXAS AND FOR LEGISLATIVE SUPPORT OF THE TEXAS STATE HIGHWAY 130 CONCESSION COMPANY AND ADDITIONAL INVESTMENT IN INFRASTRUCTURE.

Ms. Malish stated that a major initiative began in 2019 for advocacy of additional connectivity between SH 130 and I-35. This would benefit Lockhart by increasing regional mobility and providing additional accessibility for major industries and residents alike. Interest is increasing again to encourage the legislature and TxDOT to find a way to utilize SH 130's existing agreement to fund other area road improvements (not any new tolls). Caldwell County recently passed a Resolution in support of this.

E. DISCUSS MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE GUADALUPE-BLANCO RIVER AUTHORITY (GBRA) AND THE CITY OF LOCKHART REGARDING THE DEDICATION OF EASEMENTS RELATED TO THE CARRIZO GROUNDWATER SUPPLY PROJECT AND RELATED CLOSING DOCUMENTS, AND AUTHORIZING THE MAYOR TO SIGN, IF APPROVED.

Mr. Kelley stated that on June 4, 2024, City Council approved an MOA between the Guadalupe-Blanco River Authority and the City of Lockhart authorizing the dedication of two easements associated with Phase II of the Carrizo Water Supply Project. Recently, additional documents from GBRA's title company were submitted to the City for signature that were not apart of the initial easement and MOA packet. Consequently, under the direction of the City's Attorney, the signing of the additional closing documents will require authorization. The appraised value of the two easements is approximately \$134,350. GBRA asks that the City dedicate the easements to GBRA in consideration for a second delivery point provided to the City of Lockhart at the Cesar Chavez Elevated Storage Tank. The estimated cost for the second delivery point is \$1.95M in construction costs, which GBRA can offer to the City as compensation for the dedicated permanent easements. The second delivery point would be treated water with a dedicated chemical treatment feed, and a metering station. The connection size has been designed as a 12" water main connection. Establishing a second delivery point for treated water is important for several reasons, including:

- Create redundancy in the water system to make the utility more resilient.
- Diversify and increase the City's water supply pumping capacity beyond its current delivery point, which is centralized at the Water Treatment Plant's high service pump station.
- Provide additional water supply during outages, rehabilitation, or scheduled maintenance at the City's water treatment plant.

There was discussion.

F. DISCUSS THE AMENDED AND RENEWAL OF INTERLOCAL AGREEMENT (ILA) WITH PLUM CREEK WATERSHED PARTNERSHIP AND AUTHORIZING THE CITY MANAGER TO SIGN THE DOCUMENT IF APPROVED.

Mr. Kelley stated that the Plum Creek Partnership was created in 2006 and was established to restore and protect the waters of the Plum Creek. In 2011, the City along with other governmental agencies and utilities entered into an Interlocal Agreement regarding the partnership, which was renewed April 18, 2023. The Amended and Renewal Interlocal Agreement establishes the primary responsibilities and tasks of the Plum Creek Watershed Coordinator, found in Attachments A & B. The agreement also sets forth the annual financial commitment for each entity based on population and square miles. The City's annual commitment remains the same as last year at \$2,686.00. The terms of the agreement are for (1) one year and will automatically renew each year.

G. DISCUSS INTERLOCAL AGREEMENT BETWEEN TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL AND THE CITY OF LOCKHART FOR CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE.

Mr. Resendez stated that the City is a member of the Texas Municipal League Intergovernmental Risk Pool (TMLIRP) to provide insurance for liability, property, errors and omissions, and other claims and coverage, including cyber liability and data breach response coverage. In 2016, TMLIRP began offering cyber liability coverage to all members. Since that time, cyber crimes have exponentially increased in both frequency and severity. Future cybercriminal activity is impossible to predict, which means neither the TMLIRP nor any other insurer can rely on past patterns and trends to predict future losses. The Board of Trustees recently approved the Pool's formation of a new Cyber Fund and updated cyber liability and data

breach response coverage, effective October 1, 2024. Each member of TMLIRP, including the City, must approve a new, separate interlocal agreement (ILA) to join the new Cyber Fund.

TMLIRP's cyber liability and data breach response coverage includes the following:

- Breach Response - which includes access to computer experts, public relations specialists, attorneys, negotiators, and others with experience responding to cyberattacks.
- Network Business Interruption - which can help cover the loss of income and extra expenses (for a limited period) caused by a cyberattack.
- Cyber Extortion - which can help with ransom payments to recover data.
- Data Recovery Costs - which can help with costs to restore data that was damaged, corrupted, and/or deleted.
- Fraud Protection - which can help (if certain conditions are met) with costs related to - for example - when an employee is tricked into sending money to a cybercriminal.

Currently, the City has Core+ Cyber Coverage, the highest coverage offered by TMLIRP. Staff recommends maintaining this level of coverage with the approval of the Cyber Fund ILA. To date, the City has not reported any cyber-related claims to TMLIRP.

There was discussion.

H. RECEIVE AND DISCUSS THE 3RD QUARTER FISCAL YEAR 2024 INVESTMENT REPORT.

Ms. Michna stated that 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. She provided details about the 3rd Quarter Investment Report of Fiscal Year End (FYE) 2024, ending June 30, 2024.

I. DISCUSS CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S SPECIAL ELECTION ON NOVEMBER 5, 2024.

Ms. Bowermon stated that the Caldwell County Elections Administrator (County EA) is conducting Elections on November 5, 2024. The City of Lockhart will hold a special election for a proposed charter amendment. Since 2010, in the interest of a public purpose, the City of Lockhart has contracted with the County EA to conduct City Elections to enable all propositions and public official positions to be on one ballot for voters within Caldwell County. The City of Lockhart shall pay an administrative fee of 10% of the total cost of the election and any runoff election or \$75, whichever is greater. In the event the services are provided for a joint election, the cost shall be equally prorated between the participating entities. The City of Lockhart ordered the November 5, 2024 Special Election during the previous Council meeting held on August 6, 2024. The Caldwell County Commissioners Court is anticipated to consider appointment of Central Count, Early Voting Ballot Board, and Election Day Judges at the next County Commissioners Court at the end of August. These appointments are referenced in the contact as Attachment 'C'. If necessary, after the County appointments these positions, an item will be placed on the following City Council meeting to consider acknowledging their appointments.

There was discussion.

J. DISCUSSION REGARDING NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Mayor stated that the vote will be considered during the regular meeting portion of the agenda.

RECESS: Mayor White announced that the Council would recess for a break at 7:15 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. There were none.

Robert Lee Lewis, 718 Chihuahua Street, expressed concern about shootings in the neighborhood. He expressed concern about an unfinished sewer line repair that left a dangerous deep manhole on the street. He requested that the manhole be repaired.

ITEM 4-A. HOLD A PUBLIC HEARING FOR THE PROPOSED CITY OF LOCKHART FISCAL YEAR 2024-2025 BUDGET.

Mayor White opened the public hearing at 7:37 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was staff's recommendation to hold two hearings to allow residents two opportunities to comment on the proposed budget. This is the first public hearing. The second public hearing will be held at 7:30 p.m. on September 3, 2024. There were updates about the proposed budget.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 7:48 p.m.

ITEM 5. CONSENT AGENDA.

Mayor Pro-Tem Sanchez made a motion to approve consent agenda items 5A, 5B, 5C and 5D. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

The following are the consent agenda items that were approved:

- 5A: Approve Memorandum of Agreement (MOA) between the Guadalupe-Blanco River Authority (GBRA) and the City of Lockhart regarding the dedication of easements related to the Carrizo Groundwater Supply Project and related closing documents, and authorizing the Mayor to sign if approved.
- 5B: Approve the Amended and Renewal of Interlocal Agreement (ILA) with Plum Creek Watershed Partnership and authorizing the City Manager to sign the document if approved.
- 5C: Approve Interlocal Agreement between Texas Municipal League Intergovernmental Risk Pool and the City of Lockhart for Cyber Liability and Data Breach Response Coverage.
- 5D: Accept the 3rd Quarter Fiscal Year 2024 Investment Report.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING AMENDING THE INTERLOCAL AGREEMENT BETWEEN CAPITAL AREA RURAL TRANSPORTATION SYSTEM (CARTS) AND THE CITY OF LOCKHART.

There was discussion.

Mayor White made a motion to approve the Interlocal Agreement with CARTS with funding in the amount of \$30,000. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING INTERLOCAL COOPERATION AGREEMENT BETWEEN LOCKHART INDEPENDENT SCHOOL DISTRICT AND THE CITY OF LOCKHART REGARDING SCHOOL RESOURCE OFFICERS FOR THE 24-25 SCHOOL YEAR AND A PROPOSED FIRST ADDENDUM TO THE INTERLOCAL COOPERATION AGREEMENT TO INCLUDE REIMBURSEMENT FROM LISD TO THE CITY FOR SRO SPECIAL ASSIGNMENT STIPEND.

Councilmember Michelson made a motion to approve the Interlocal Cooperation Agreement and a First Addendum, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-21 AMENDING UN-CODIFIED ORDINANCE 2018-07, SECTION II (F) REGARDING THE ASSIGNMENT OF SCHOOL RESOURCE OFFICER WITHIN THE LOCKHART POLICE DEPARTMENT WITH ALL OTHER SECTIONS OF ORDINANCE 2018-07 REMAINING UNCHANGED.

Councilmember Lairsen made a motion to approve Ordinance 2024-21, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING RESOLUTION 2024-20 BY THE CITY COUNCIL OF LOCKHART, TEXAS AND FOR LEGISLATIVE SUPPORT OF THE TEXAS STATE HIGHWAY 130 CONCESSION COMPANY AND ADDITIONAL INVESTMENT IN INFRASTRUCTURE.

Councilmember Michelson made a motion to approve Resolution 2024-20, as presented. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING CONTRACT FOR ELECTION SERVICES WITH THE CALDWELL COUNTY ELECTIONS ADMINISTRATOR TO CONDUCT THE CITY OF LOCKHART'S SPECIAL ELECTION ON NOVEMBER 5, 2024.

Mayor Pro-Tem Sanchez made a motion to approve the contract with the Caldwell County Elections Administrator, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING NOMINATION OF ROB ORTIZ TO THE PARKS AND RECREATION ADVISORY BOARD BY COUNCILMEMBER JOHN CASTILLO FOR A TERM TO EXPIRE IN NOVEMBER 2025.

Rob Ortiz, 1004 N. Commerce Street, stated that he has served as an alternate on the Parks and Recreation Board for approximately 15 years and stated that he looked forward to serving as a regular member.

Councilmember Castillo made a motion to appoint Rob Ortiz to the Parks and Recreation Advisory Board. Mayor Pro-Tem Sanchez seconded. The motion passed by a vote of 7-0.

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

- Update regarding the TXCDBG Water Meter grant.
- Austin Community College annexation Election: upcoming Community Outreach event.
- Update regarding the Downtown Revitalization Project – pre-construction meeting scheduled for August 22nd.
- Final Courthouse Nights Music event of the summer will be held August 23rd.
- Lockhart Municipal Airport TxDOT Paving Project update – TxDOT anticipates resoliciting bids in November 2024 with construction estimated to start April 2025.

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

Councilmember Westmoreland encouraged everyone to be mindful of students and pedestrians during school hours.

Councilmember Mendoza expressed condolences to the Oliva and Sanchez family for their loss. He invited the Council to attend a seminar hosted by Denton and Navarro about city issues.

Mayor Pro-Tem Sanchez expressed condolences to the family of Chris Sanchez for their loss. She encouraged everyone to be safe and mindful of children walking during school hours. She wished students a successful school year.

Councilmember Lairsen stated that the Gaslight-Baker Theatre has renovated their venue to improve performance stages. He encouraged everyone to be safe during the extreme heat.

Councilmember Castillo expressed condolences to Oliva and Sanchez family for their loss. He thanked all that are working in the extreme heat, and he encouraged them to stay safe and hydrated.

Councilmember Michelson encouraged everyone to be safe and mindful of children walking during school hours. He encouraged everyone to be safe during the extreme heat.

Mayor White encouraged everyone to be safe and mindful of pedestrian traffic during school hours. He gave an update about the Old Carver School proposed renovations. He stated that some emergency hospitals have expressed interest in Lockhart, which staff will meet with soon. Staff is working on design standards to present to Council during the next meeting that will limit and/or prohibit Residential High Density development on San Antonio Street and major entrances to Lockhart. He expressed condolences to the family of Chris Sanchez for their loss.

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 8:01 p.m.

PASSED and APPROVED this the 5th day of August, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

**REGULAR MEETING
LOCKHART CITY COUNCIL**

SEPTEMBER 3, 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
Randy Jenkins, Fire Chief
Keeli Michna, Finance Director

Holly Malish, Economic Development Director
Julie Bowermon, City Secretary
Sean Kelley, Public Works Director
Robin Cross, City Attorney
Tatiana Salazar, Public Information Officer

Citizens/Visitors Addressing the Council: Danny Garza with Rise Broadband; Justin Rasor of Raftelis; and Brett Corwin, Developer.

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 BY PUBLIC WORKS AND DISCUSSION REGARDING UPDATES ON RISE BROADBAND FIBER INSTALLATION.

Mr. Kelley stated that on May 21, 2024, City Council heard a presentation regarding the future residential and non-residential installation of fiber internet services by Rise Broadband. Following that meeting, staff finalized installation protocols and issued the attached ROW permit dated June 14, 2024. On July 8th, Rise Broadband began installing components of their fiber network. Public Works presentation tonight includes updates on the progress of Rise's installation and will address a number of operational disruptions.

Mr. Kelley provided information and there was discussion regarding the following:

- Rise's fiber installation sections.
- Progress of the installations.
- Challenges with installing utilities city-wide.
- City of Lockhart maintenance responsibilities.
- Water and Wastewater Department are dedicated to restoring utility services promptly to minimize disruptions.
- Moving forward
 - Continue utilizing and abiding by the protocols in the permit.
 - Maintaining effective level of communication between the City and the Contractors.

- Promptly identifying issues with contractors so they can be corrected with the project manager.

Danny Garza of Rise Broadband provided information and there was discussion about the fiber installation process, maintenance, and working with the city during the construction phase.

B. PRESENTATION AND DISCUSSION OF RAFTELIS WATER AND WASTEWATER RATE STUDY AND FINANCIAL PLAN UPDATE.

Justin Rasor of Raftelis provided information and there was discussion regarding the following:

- Rate study process
- Financial Plan Assumptions
- Utility Financial Plan
- Cost of Service results
- Rate and typical bill comparison
- Next Steps – Council to consider utility rates at a future meeting

Council requested that utility customers be informed prior to implementation of the utility rate increases.

C. DISCUSS CITY COUNCIL MINUTES OF THE NOVEMBER 21, 2023 AND DECEMBER 3, 2023 MEETINGS.

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

D. DISCUSSION REGARDING RESOLUTION 2024-21 ACCEPTING A PETITION FOR AND CALLING A PUBLIC HEARING ON THE ADVISABILITY OF PUBLIC IMPROVEMENTS AND CREATION OF SEAWILLOW PUBLIC IMPROVEMENT DISTRICT PURSUANT TO CHAPTER 372 OF THE TEXAS LOCAL GOVERNMENT CODE.

Mr. Lewis stated that 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 attached Resolution 2024-21 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. Resolution 2024-21 supersedes Resolution 2024-19, which was approved at the August 6, 2024 Council meeting. Resolution 2024-19 had the incorrect location for the public hearing. This new resolution corrects the location and sets a new public hearing date.

E. DISCUSS THE ANNUAL SERVICE AGREEMENT WITH MOTOROLA SOLUTIONS, INC. AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE SERVICE AGREEMENT FOR FY 2024-2025.

Chief Jenkins stated that the City of Lockhart and Caldwell County are currently on the Greater Austin-Travis Regional Radio System (GATRRS). The City of Lockhart annually reviews and renews a service

agreement with Motorola Solutions, Inc. for the maintenance and repair of the 700/800 MHz radio system (GATRRS) infrastructure which supports emergency radio communications for the City of Lockhart, Caldwell County, City of Luling, and the City of Martindale. According to an existing interlocal agreement with each entity, the City of Lockhart is responsible for billing each entity quarterly according to the number of radio units owned and in operation on the radio system. The current total number of radios on the system is 799, of which the City of Lockhart owns 208 radios (26.03%) and our share of the service agreement for FY 2024-2025 would be approximately \$42,362. The attached service agreement is for the fiscal year from October 1, 2024, through September 30, 2025, and is the same cost as last year's agreement. Due to the county wide transition to a new Lower Colorado River Authority (LCRA) voice radio communication system estimated to be completed in early 2025, the service agreement with Motorola Solutions, Inc. will be a month-to-month agreement and will be terminated upon successful transition to the new LCRA system. The maintenance of the LCRA system will be achieved through an interlocal agreement with LCRA and a monthly fee per radio.

F. DISCUSS AGREEMENT ORDER FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) REGARDING DOCKET NUMBER 2023-1209-PST-E INVOLVING UNDERGROUND STORAGE TANK (UST) TESTING AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT ORDER.

Mr. Kelley stated that on April 3, 2023, the Texas Commission on Environmental Quality conducted a routine inspection of the City of Lockhart Public Works and Airport underground fuel storage tanks. During the routine inspection, the inspector notified the City that during the COVID-19 pandemic timeframe, they failed to order release detention testing for the tanks based on the triennial requirement of October 10, 2021, along with the newly implemented spill bucket testing due every three years. Although the City has a long history of compliance with TCEQ testing requirements and the City's tanks are regularly maintained, resulting in no leakage or negative environmental impact, the mandatory tank testing was not completed during the pandemic. After the inspection, staff immediately obtained all required testing, came into compliance within three days of the inspection and submitted all required passing tests to TCEQ on April 6, 2023, prior to notice of enforcement. However, TCEQ sent notice of an Agreement Order to expedite enforcement action by way of an administrative penalty of \$3,001 on July 29, 2024. Currently, all testing for the underground storage tanks is in compliance with testing requirements and inventory history is up-to-date. Staff has implemented new testing protocols with a single testing company to ensure compliance. The new company offers automatic reminders prior to expiration of tests and submits documentation on behalf of entities. Staff have also internally made adjustments to align the testing schedule to coincide with the multiple site testing requirements. There was discussion.

G. DISCUSSION REGARDING ORDINANCE 2024-23 ADOPTING THE CITY OF LOCKHART'S ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2024-2025 AND APPROPRIATING RESOURCES, BEGINNING OCTOBER 1, 2024, ENDING SEPTEMBER 30, 2025, FOR THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION AND ADOPTING THE CITY'S INVESTMENT POLICY, FINANCIAL POLICY, AND FUND BALANCE - STABILIZATION AND EXCESS OF RESERVES POLICIES.

Mr. Resendez provided details about highlights of the proposed budget.

H. DISCUSSION REGARDING ORDINANCE 2024-24 LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS

FOR FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025.

Mr. Resendez stated that the proposed tax rate is \$0.5093 per \$100 of assessed value. The Ordinance describes the two required components of the tax rate; Maintenance and Operations (M&O) and Interest and Sinking (I&S). State law requires a statement regarding the amount by which taxes for maintenance and operations on a \$100,000 home will be raised. Based on the proposed tax rate, the maintenance and operations portion of the rate will be \$0.4067 per \$100 assessed value compared to last year's maintenance and operations rate of \$0.4136 per \$100 assessed value, resulting in a decrease of \$0.0069 or 1.7%. The interest and sinking portion of the tax rate decreased from \$0.1212 to \$0.1026 per \$100 assessed value, resulting in a decrease of \$0.0186 or 15.3%. Therefore, there will be no increase in the maintenance and operations tax due on a \$100,000 home. The City of Lockhart's portion of a homeowner's property tax bill is 26% of their total bill based on current tax rates. The remaining 74% of the tax bill is for property taxes charged by the other taxing jurisdictions, including the Lockhart Independent School District (46%), Caldwell County (22%), ESD #5 (4.8%), Plum Creek Conservation District and Groundwater tax (1.4%), and Farm-to-Market (0.005%). Property taxes paid to the City of Lockhart make up approximately 36% of the City's General Fund revenues. Sales tax revenue makes up another 19%, while other fees and services cover the remaining 45%. The revenues from the General Fund provide maintenance and operational support for streets, drainage, parks, infrastructure, police and fire protection. The verbiage contained within this ordinance is in compliance with requirements of Section 26.05(b)(1)(B) of the Texas Tax Code.

I. DISCUSSION REGARDING ORDINANCE 2024-25 REPEALING UNCODIFIED ORDINANCE 2023-19 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE.

Ms. Bowermon stated that the FY 24-25 Budget includes a 4% pay increase for all full-time and part-time regular City of Lockhart employees. It also includes an additional 1% pay increase to the civil service pay step plans for police officers and fire fighters, for a total of a 5% increase for these two departments. In compliance with Civil Service, classified police and fire positions are paid per a step pay plan, which is set by ordinance. The proposed ordinance reflects increasing the step plans as included in the budget. Agencies in central Texas continue to experience unremitting vacancies in public safety positions. Consequently, this 5% adjustment is being proposed to enhance Lockhart's ability to recruit and retain qualified police officers and fire fighters. The City will continue to offer the \$10,000 hiring incentive to police officers as well as the lateral entry pay program. Staff is currently exploring the possibility of proposing a lateral entry pay program for fire fighters in the future.

J. DISCUSSION REGARDING ORDINANCE 2024-26 REPEALING UN-CODIFIED ORDINANCE 2018-23 AND ADOPTING THIS ORDINANCE REGARDING ESTABLISHING THE CLASSIFICATIONS WITHIN THE FIRE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION.

Ms. Bowermon stated that in compliance with civil service, the number of classified police and fire positions are set by an ordinance, which is referred to as the "Strength of Force." Proposed Ordinance 2024-26 reflects reducing the number of firefighters by one (from 7 to 6) and increasing the number of fire engineers (apparatus operators) from 3 to 6. In the FY 23-24 Budget this change in staffing was approved to start around mid-April 2024. The increase in staffing, specifically fire engineers, was desired due to the purchase of an aerial apparatus (ladder truck) and the growth within the community. Fire engineers have additional training to safely and efficiently operate complex fire suppression systems on

equipment such as ladder trucks. The ladder truck is anticipated to arrive by the end of 2024, therefore it is now the appropriate time to finalize the staffing changes authorized in the FY 23-24 Budget.

K. DISCUSS RESOLUTION 2024-22, DENYING TEXAS GAS SERVICE COMPANY'S REQUESTED RATE INCREASE; REQUIRING THE COMPANY TO REIMBURSE THE CITY'S REASONABLE RATEMAKING EXPENSES; AND, REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND THE CITY'S LEGAL COUNSEL.

Mr. Lewis stated that on June 3, 2024, Texas Gas Service Company (“TGS” or “Company”), a Division of ONE Gas, Inc., pursuant to Gas Utility Regulatory Act § 104.102, 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 Service Area (“CGSA”), effective July 8, 2024. In a prior City action, TGS’s rate request was suspended from taking effect for 90 days, the fullest extent permissible under the law, until October 4, 2024. This time period has permitted the City, through its participation in a coalition of similarly situated cities (“TGS Cities”), to determine that the proposed rate increase is unreasonable. Consistent with the recommendations of experts engaged by TGS Cities, TGS’s request for a rate increase should be denied.

Accordingly, the purpose of the Resolution is to deny the rate change application proposed by TGS.

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

ITEM 1. CALL TO ORDER,

Mayor Lew White called the meeting to order at 8:05 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 AND DISCUSSION REGARDING APPLICATION ZC -24-06 BY THE MARILYN RIDDLE TRUST, AND DISCUSSION AND/OR ACTION TO CONSIDER ORDINANCE 2024-22 FOR A ZONING CHANGE FROM AO AGRICULTURAL-OPEN SPACE DISTRICT TO 27.9955 ACRES OF CMB COMMERCIAL MEDIUM BUSINESS DISTRICT, 17.7206 ACRES OF RHD RESIDENTIAL HIGH DENSITY DISTRICT AND 132.0719 ACRES OF RMD RESIDENTIAL MEDIUM DENSITY DISTRICT ON 177.78 ACRES IN THE JAMES GEORGE SURVEY, ABSTRACT NUMBER 9, LOCATED IN THE 1500, 1600, AND 1700 BLOCKS OF SOUTH COMMERCE STREET.

Mayor White opened the public hearing at 8:10 p.m. and requested the staff background report.

Mr. Fowler stated that this zoning change request proposes to change the zoning for a 177.78-acre parcel from its current AO Agricultural-Open Space zoning to a mix of three different zoning districts. The proposed zoning would include CMB Commercial Medium Density zoning along South Commerce Street with Residential High Density to the east of the commercial zoning proposed along South Commerce

Street and Residential Medium Density taking up most of the remainder of the site. To avoid placing single-family homes in an area abutting the Coleman Unit prison, an additional area of Commercial Medium Business zoning has been proposed for the area immediately south of the prison. The future land use map shows both East Martin Luther King Jr. Industrial Boulevard (MLK) and Bufkin Lane continuing through the property, meeting south of the current section of MLK that terminates south of Blackjack Street. The proposed zoning district boundaries have been designed to carry these streets through the site. The site is mostly flat with a slight downward grade to the south and east. There are no areas of floodplain on the site. The site is crossed by several utility and pipeline easements, which may present a challenge in designing a subdivision on the property. Staff received a letter from the owners of the concrete plant to the north of the site expressing concern regarding the impact of potential residential development near their site. However, a representative of the batch plant has said that the location of commercial zoning adjacent to their property has at least partially addressed their concerns. Mr. Fowler stated that staff and the Planning and Zoning Commission recommend approval. There was discussion.

Mayor White requested the applicant to address the Council.

Brett Corwin, Developer, stated that they would consider providing access to existing roads, such as Commerce Street and East MLK with assistance from the city. There was discussion.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:28 p.m.

Councilmember Mendoza made a motion to approve Ordinance 2024-22, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 4-B. HOLD A PUBLIC HEARING FOR THE CITY OF LOCKHART AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION FISCAL YEAR 2024-2025 BUDGET.

Mayor White opened the public hearing at 8:29 p.m. and requested the staff background report.

Mr. Resendez stated that the City Charter requires that the City Council hold one public hearing for the City of Lockhart Budget to allow for public comments. It was staff's recommendation to hold two hearings to allow citizens an additional opportunity to comment on the proposed budget. This is the final public hearing.

Mayor White requested citizens to address the Council. There were none. He closed the public hearing at 8:30 p.m.

ITEM 6-B. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-23 ADOPTING THE CITY OF LOCKHART'S ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2024-2025 AND APPROPRIATING RESOURCES, BEGINNING OCTOBER 1, 2024, ENDING SEPTEMBER 30, 2025, FOR THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS AND THE LOCKHART ECONOMIC DEVELOPMENT CORPORATION AND ADOPTING THE CITY'S INVESTMENT POLICY, FINANCIAL POLICY, AND FUND BALANCE - STABILIZATION AND EXCESS OF RESERVES POLICIES.

Mayor Pro-Tem Sanchez made a motion to approve Ordinance 2024-23, as presented. Councilmember Westmoreland seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

ITEM 4-C. HOLD PUBLIC HEARING ON PROPOSED TAX RATE FOR 2024.

Mayor White opened the public hearing at 8:33 p.m. and requested the staff background report.

Mr. Resendez stated that the City Council is required to hold a public hearing on the proposal to increase the tax revenues if the proposed tax rate exceeds the No-New-Revenue rate calculated by the Caldwell County Appraisal District. This public hearing is required by the Truth-in-Taxation laws of the State of Texas.

ITEM 6-C. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-24 LEVYING MAINTENANCE AND OPERATIONS PROPERTY TAXES FOR THE USE AND SUPPORT OF THE CITY OF LOCKHART, TEXAS AND INTEREST AND SINKING PROPERTY TAXES FOR THE DEBT SERVICE OBLIGATIONS OF THE CITY OF LOCKHART, CALDWELL COUNTY, TEXAS FOR FISCAL YEAR 2025, BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025.

Mayor White made the motion that the maintenance and operations rate be adopted at \$0.4067 per \$100 of assessed value as indicated/listed in Ordinance 2024-24, thereby adopting said ordinance. Councilmember Castillo seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

Mayor White made a motion that the interest and sinking rate be adopted at \$0.1026 per \$100 of assessed value as indicated/listed in Ordinance 2024-24, thereby adopting said ordinance. Councilmember Lairsen seconded.

The record vote is as follows:

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
Mayor Lew White – yes

The motion passed by a vote of 7-0.

ITEM 5. CONSENT AGENDA.

Councilmember Michelson made a motion to approve consent agenda items 5A, 5B, 5C and 5D. Councilmember Castillo seconded. The motion passed by a vote of 7-0.

The following item were approved:

- 5A: Approve City Council minutes of the November 21, 2023 and December 3, 2023 meetings.
- 5B: Approve Resolution 2024-21 accepting a petition for and calling a public hearing on the advisability of public improvements and creation of Seawillow Public Improvement District pursuant to Chapter 372 of the Texas Local Government Code.
- 5C: Approve the Annual Service Agreement with Motorola Solutions, Inc. and authorize the City Manager to execute the Service Agreement for FY 2024-2025.
- 5D: Approve Resolution 2024-22, denying Texas Gas Service Company's requested rate increase; requiring the company to reimburse the City's reasonable ratemaking expenses; and, requiring notice of this resolution to the company and the City's legal counsel.

ITEM 6-A. DISCUSSION AND/OR ACTION REGARDING AGREEMENT ORDER FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) REGARDING DOCKET NUMBER 2023-1209-PST-E INVOLVING UNDERGROUND STORAGE TANK (UST) TESTING AND AUTHORIZING THE CITY MANAGER TO SIGN THE AGREEMENT ORDER.

Mayor Pro-Tem Sanchez made a motion to approve the Agreement Order from TCEQ, as presented. Councilmember Lairsen seconded. The motion passed by a vote of 7-0.

ITEM 6-D. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-25 REPEALING UNCODIFIED ORDINANCE 2023-19 IN ITS ENTIRETY AND ADOPTING THIS ORDINANCE REGARDING THE CITY PERSONNEL POLICY MANUAL; REMOVING PERFORMANCE OR MERIT PAY FOR POLICE AND FIRE PERSONNEL AND ADOPTING A STEP PAY PLAN FOR POLICE AND FIRE DEPARTMENTS UNDER CIVIL SERVICE.

Councilmember Michelson made a motion to approve Ordinance 2024-25, as presented. Councilmember Westmoreland seconded. The motion passed by a vote of 7-0.

ITEM 6-E. DISCUSSION AND/OR ACTION REGARDING ORDINANCE 2024-26 REPEALING UN-CODIFIED ORDINANCE 2018-23 AND ADOPTING THIS ORDINANCE REGARDING ESTABLISHING THE CLASSIFICATIONS WITHIN THE FIRE DEPARTMENT AND AUTHORIZING THE NUMBER OF EMPLOYEES IN EACH CLASSIFICATION.

Councilmember Lairsen made a motion to approve Ordinance 2024-26, as presented. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-F. DISCUSSION AND/OR ACTION REGARDING THE TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL BOARD OF TRUSTEES ELECTION FOR PLACES 11 - 14.

Mayor White provided an update about the election process and stated that the current members of places 11-14 are commendably serving their position on the Board. He requested recommendations for other appointments. There were none.

Mayor White recommended that the Lockhart City Council cast a vote for each of the following:

Randy Criswell (incumbent), Place 11
Allison Heyward (incumbent), Place 12
Harlan Jefferson (incumbent), Place 13
Mike Land (incumbent), Place 14

Mayor White made a motion to cast a vote for each incumbent in Places 11-14 of the Texas Municipal League Intergovernmental Risk Pool Board of Trustees, as listed above, and to authorize the Mayor to execute the necessary documents. Councilmember Michelson seconded. The motion passed by a vote of 7-0.

ITEM 6-G. DISCUSSION AND POSSIBLE DIRECTION TO STAFF REGARDING CREATING ZONING OVERLAYS TO REGULATE DESIGN STANDARDS IN THE ENTRANCE CORRIDORS ALONG HIGHWAY ENTRANCES INTO LOCKHART, AS REQUESTED BY MAYOR WHITE.

Mr. Fowler stated that Mayor White has suggested the City look into creating zoning overlays to protect the appearance and character of the entrance corridors in order to protect selected areas from possible negative effects of future development along those corridors. Typically, corridor zoning overlays involve additional regulations for a defined area in order to approve the appearance of new development, define allowable uses, and create additional regulations designed to refine the character of development within the overlay district. In addition to restricting uses, overlays will often have enhanced setback requirements, height or density limits, architectural standards, signage restrictions, landscaping requirements, site design standards, screening requirements, and site layout requirements. In order to craft a successful corridor zoning overlay, a city should determine the areas in which the overlay should be applied, the character of that area that is desired to be created or preserved, and the additional regulations that should be applied to the area to achieve the desired effects. If City Council expresses interest in creating corridor overlays, staff will work to craft a list of elements that could potentially be incorporated into overlays of each of the areas for which interest in creating an overlay is expressed. The resulting product would be one or more zoning overlay districts that would create additional regulations to which affected properties would be subject. To provide some background to the practice of applying zoning overlays to corridors, an introductory document defining overlay districts is attached, as is an example of an overlay ordinance from San Antonio.

After discussion, the consensus of the Council was to conduct a workshop with the City Planner to further discuss the zoning overlays.

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

- Construction for the Downtown Revitalization Project is beginning this week in the areas North of W. San Antonio St., between Hwy 183 and S. Main St., and some areas of Church St.
- Update regarding final draft of the Comprehensive Plan.
- Update regarding campaign to educate the community about illegal discharge of firearms.
- National Night Out is scheduled for October 1st.
- City Pool closed for the season on September 1st.
- Splash pads are currently still open, scheduled to closed October 27th.

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

Councilmember Mendoza stated that District 1 will hold a meeting during National Night Out. He thanked all involved with the public input meeting about the proposition on the ballot.

Mayor Pro-Tem Sanchez thanked the Lockhart Police Department for keeping Lockhart safe. She encouraged citizens to report crime. She wished the student athletes good luck during upcoming sporting events.

Councilmember Lairsen thanked staff for their work on the budget.

Councilmember Castillo thanked staff for their work on the budget. He thanked the Lockhart Police Department for keeping Lockhart safe.

Councilmember Michelson requested citizens to be patient during the Downtown Revitalization project.

Mayor White congratulated the football and running sports for their accomplishments. He also requested that citizens be patient during the Downtown Revitalization project. He provided information about an upcoming fly-in event at the Lockhart Airport.

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 9:13 p.m.

PASSED and APPROVED this the 5th day of August, 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

Julie Bowermon
City Secretary

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discuss and/or consider Resolution 2025-24 to grant Hillwood Communities a 90-day extension of the conditional consent to form the Lockhart Municipal Utility District (MUD) of Caldwell County and the inclusion into said district of 889.3 acres of land, 720.681 acres of which is in the City's ETJ.

ORIGINATING DEPARTMENT AND CONTACT: Development Services - David Fowler

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: State law requires that a city consent to the inclusion of land in its ETJ in a municipal utility district ("MUD"). At a workshop on January 27, 2025, Hillwood Communities discussed the development of 889.3 acres of land ("Property"), 720.681 acres of which is in City's ETJ ("Property"). Hillwood Communities is in its due diligence period for the purchase of the Property and has asked the City to grant a conditional consent to creation of the Lockhart Municipal Utility District of Caldwell County and the inclusion of the Property into said district. This consent was granted with the passage of Resolution 2025-08 on February 18, 2025. This consent agreement will expire on August 18, 2025, creating the need for an extension as the Development Agreement between Hillwood and the City of Lockhart has not yet been approved. The subject agreement is conditioned in part on the ability of Hillwood Communities and the City being able to negotiate and enter into a development agreement and expires in 90 days, and represents an extension of the original 180-day consent agreement. An additional factor leading to the request for the extension is the possibility of adding additional land to the MUD area, covering 148.5 acres.

PROJECT SCHEDULE (if applicable): N/A

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): None

PREVIOUS COUNCIL ACTION: City Council approved Resolution 2025-08, granting conditional consent to the creation of the MUD as the subject property.

COMMITTEE/BOARD/COMMISSION ACTION: None

STAFF RECOMMENDATION/REQUESTED MOTION: Approval of Resolution 2025-24,

City of Lockhart, Texas

Council Agenda Item Cover Sheet

granting a 90-day extension to the conditional consent to create a MUD granted on February 18, 2025.

LIST OF SUPPORTING DOCUMENTS: Lockhart Resolution 2025-24 ExtendingHillwood MUD Conditional Consent, Ex. A - LockhartMUD City Consent Resolution No. 2025-08 City of Lockhart, Resolution 2025-24--Exhibit B Title page, Ex. B - MELDE TRACT

CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING EXTENSION OF ADDITIONAL 90 DAYS TO NEGOTIATE AND ENTER INTO A DEVELOPMENT AGREEMENT AND PROVIDING THAT THE CITY'S CONDITIONAL CONSENT TO THE CREATION OF THE SPENCEWOOD MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY WILL EXPIRE UPON THE PASSAGE OF SUCH ADDITIONAL 90 DAYS.

WHEREAS, pursuant to Resolution No. 2025-08, the City of Lockhart, Texas (the "City"), a home-rule municipality created under the laws of the State of Texas, provided its conditional consent to the creation of the Spencewood Municipal Utility District of Caldwell County (the "District") encompassing 889.3 acres ("Land") as more particularly described in Exhibit A, attached hereto and incorporated by reference, approximately 720.681 acres of the Land being situated within the City's extraterritorial jurisdiction and the remainder situated within unincorporated Caldwell County; and

WHEREAS, the City's Conditional Consent was conditioned on the City and the owners of the Land negotiating and entering into a development agreement (the "Development Agreement") concerning the Land, pursuant to Section 212.172 of the Texas Local Government Code, to the extent any portion of the District is located within the City's extraterritorial jurisdiction as reflected in Exhibit A; and

WHEREAS, Resolution No. 2025-08 provides for the expiration of the City's conditional consent upon the passage of one-hundred eighty (180) days after February 18, 2025, or August 17, 2025; and

WHEREAS, Hillwood Enterprises, L.P., a Texas limited partnership, has entered into an earnest money contract to purchase an additional 148.5 acres (the "Additional Land") as more particularly described in Exhibit B, attached hereto and incorporated by reference; and

WHEREAS, the City wishes to grant an extension of an additional 90 days after August 17, 2025 for the City and the owners of any portion of the Land and the Additional Land within the City's extraterritorial jurisdiction to negotiate and enter into a Development Agreement;

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the "City Council"), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby extends for an additional 90 days its conditional support and consent for the creation of a district operating pursuant to Article XVI, Section 59 and

Article III, Section 52, Texas Constitution and Chapter 54, Texas Water Code, as amended, to the extent any portion of the District is located within the City's extraterritorial jurisdiction, as shown more fully in Exhibit A, and to the extent that the City and the owners of the Land and the Additional Land within the extraterritorial jurisdiction of the City are able to negotiate and enter into a Development Agreement. The City Council's conditional consent applies to the Land and the Additional Land and expires 90 days after August 17, 2025.

Section 3. The City Council hereby finds and determines that sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted as a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, contained in Chapter 551 of the Texas Government Code, as amended, and that this meeting was open to the public and the subject matter of this Resolution and its contents have been discussed, considered and formally acted upon by the City Council. Further, the City Council ratifies, approves and confirms such written notice and the contents and posting thereof, and the foregoing fully complied with all applicable law.

Section 4. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 5. This Resolution shall be effective from and after its passage by the City Council.

PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the 5th day of August, 2025.

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney

EXHIBIT A
(Certified Resolution No. 2025-08)

CERTIFICATION

STATE OF TEXAS §

COUNTY OF CALDWELL §

I, Julie Bowermon, City Secretary of the City of Lockhart, Texas do hereby certify that I am the custodian of the records of the City of Lockhart, Texas, and that the attached is a true and exact copy of Resolution 2025-08, in its entirety, as adopted February 18, 2025, with the caption as follows:

CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING CONDITIONAL CONSENT TO THE CREATION OF THE LOCKHART MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY AND THE INCLUSION OF 889.3 ACRES OF LAND INTO SAID DISTRICT; MAKING FINDINGS RELATED THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

WITNESS MY HAND AND OFFICIAL SEAL of the City of Lockhart, Texas this the 20th day of February, 2025.



Julie Bowermon
City Secretary

(SEAL)



CITY OF LOCKHART, TEXAS

RESOLUTION NO. 2025-08

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, GRANTING CONDITIONAL CONSENT TO THE CREATION OF THE LOCKHART MUNICIPAL UTILITY DISTRICT OF CALDWELL COUNTY AND THE INCLUSION OF 889.3 ACRES OF LAND INTO SAID DISTRICT; MAKING FINDINGS RELATED THERETO; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the “City”), a home-rule municipality created under the laws of the State of Texas, received a request for consent from Spencewood, Inc., (“Owner”) to the creation of the Lockhart Municipal Utility District of Caldwell County (the “District”) encompassing 889.3 acres (“Land”) as more particularly described in Exhibit A, attached hereto and incorporated by reference, approximately 720.681 acres of the Land being situated within the City’s extraterritorial jurisdiction and the remainder situated within unincorporated Caldwell County; and

WHEREAS, the Land is not situated within the corporate limits or extraterritorial jurisdiction of any other municipality; and

WHEREAS, Section 54.016 of the Texas Water Code provides that land within a city or its extraterritorial jurisdiction may not be included within a municipal utility district without such city’s consent; and

WHEREAS, this Resolution is authorized by Section 54.016 of the Texas Water Code, Chapters 49 and 54 of the Texas Water Code, Section 42.042 of the Texas Local Government Code, and all applicable law; and

WHEREAS, the District will be created and organized pursuant to Article XVI, Section 59 and Article III, Section 52, of the Texas Constitution, and Chapters 49 and 54 of the Texas Water Code, as amended; and

WHEREAS, the City wishes to evidence its conditional support and consent for the creation of the District to the extent any portion of the District is located within the City’s extraterritorial jurisdiction, as evidenced by Exhibit A, subject to the terms of a Development Agreement to be negotiated between the City and the landowners (the “Development Agreement”) and the terms of this Resolution, subject to the expiration thereof upon the passage of one-hundred eighty (180) days,

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

Section 1. All of the above premises are hereby found to be true and correct legislative findings of the City Council of the City of Lockhart (the “City Council”), and they are hereby approved and incorporated into the body of this Resolution as if copied in their entirety.

Section 2. The City Council hereby grants its conditional support and consent for the creation of a district operating pursuant to Article XVI, Section 59 and Article III, Section 52, Texas Constitution and Chapter 54, Texas Water Code, as amended, to the extent any portion of the District is located within its extraterritorial jurisdiction as shown more fully in Exhibit A and to the extent that the City and Owner and District are able to negotiate and enter into a Development Agreement, and the City Manager of the City is hereby authorized to execute any documents necessary to effectuate this Resolution. The City Council's conditional consent expires one hundred and eighty (180) days from the date of this Resolution.

Section 3. The City Council further states that it has not relinquished any rights, duties or powers relating to the inclusion of the District within its extraterritorial jurisdiction.

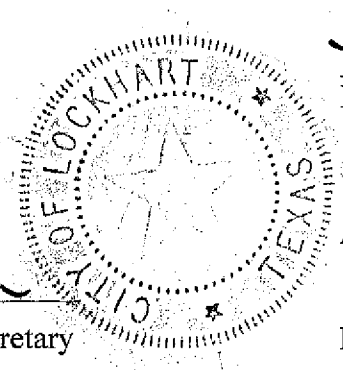
Section 4. The City Council further states that this Resolution is provided subject to and in reliance upon the terms of a Development Agreement, which may be entered into between the City and the landowners within the District. The District shall execute a joinder and become a party to the Development Agreement. The City does not consent to the organization of the District, election, or issuance of bonds from any revenue available to the District until the Development Agreement is executed.

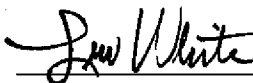
Section 5. The City Council hereby finds and determines that sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted as a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Texas Open Meetings Act, contained in Chapter 551 of the Texas Government Code, as amended, and that this meeting was open to the public and the subject matter of this Resolution and its contents have been discussed, considered and formally acted upon by the City Council. Further, the City Council ratifies, approves and confirms such written notice and the contents and posting thereof, and the foregoing fully complied with all applicable law.

Section 6. If any part of this Resolution, of whatever size, is ever declared invalid or unenforceable for any reason, the remainder of this Resolution shall remain in full force and effect.

Section 7. This Resolution shall be effective from and after its passage by the City Council.

PASSED AND APPROVED by the City Council of the City of Lockhart, Texas the 18th day of February, 2025.




Lew White, Mayor

ATTEST:


Julie Bowermon, City Secretary

APPROVED AS TO FORM:

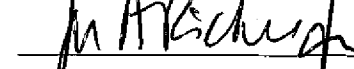

Bradford E. Bullock, City Attorney

EXHIBIT A
(Legal Description of Property to be included in the District)



Exhibit A

February 6, 2025
Spencewood - 889.3 Acres
Page 1 of 5

DESCRIPTION OF AN 889.3 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
MILES G. DIKES SURVEY NO. 9, ABSTRACT NO. 6
CALDWELL COUNTY, TEXAS

BEING an 889.3 acre tract of land situated in the James M. Baker Survey, Abstract No. 46, and the Miles G. Dikes Survey No. 9, Abstract No. 6 of Caldwell County, Texas, being a portion of a called 691.822 acre tract of land described in an instrument to Spencewood, Inc. described in Volume 194, Page 893, Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.), save and except a called 80.895 acre tract described in an instrument recorded in Volume 538, Page 333, O.P.R.C.C.T., and save and except a called 129.248 acre tract described in an instrument recorded in Volume 552, Page 399, O.P.R.C.C.T.; being all of a called 181.790 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 503, Page 764, O.P.R.C.C.T.; being a portion of a called 57.315 acre tract of land described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 543, O.P.R.C.C.T., save and except a called 0.339 acre tract recorded in Volume 579, Page 97, O.P.R.C.C.T.; said 889.3 acre tract of land described by metes and bounds as follows:

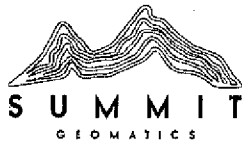
BEGINNING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Pg. 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T.), being the Southwest corner of the remainder of a called 101.25 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of the remainder of said 691.822 acre tract of land;

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set in the center of an old tree stump with wire;

THENCE, South 10° 40' 13" East, along and with an East line of said 691.822 acre tract and the West line of a called 70.83 acre tract (Tract II) and a called 70.83 acre tract (Tract I) described in an instrument to Delbert Decker recorded in Volume 435, Page 472, O.P.R.C.C.T., a distance of 2,008.96 feet to a 10-inch cedar fence post found for the Southwest corner of said 70.83 acre tract (Tract I) and being an interior corner of said 691.822 acre tract and the herein described tract;



THENCE, North 78° 21' 12" East, along and with the South line of said 70.83 acre tract (Tract I) and the North line of said 691.822 acre tract, and the North line of said 181.790 acre tract, a distance of 3,275.62 feet to a 3/8-inch iron rod found for the Southeast corner of said Tract I and being the Southwest corner of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T. and being an angle point on the North line of said 181.790 acre tract;

THENCE, North 78° 03' 03" East, along and with the South line of said 118.357 acre tract and the North line of said 181.790 acre tract, a distance of 1,777.47 feet to a 7-inch cedar fence post found on the occupied West right-of-way line of Dry Creek Road (variable width right-of-way – no deed of record found) and being the occupied Northeast corner of said 181.790 acre tract, and an angle point on the South line of said 118.357 acre tract;

THENCE, along and with the East and South lines of said 181.790 acre tract same being the occupied West and North right-of-way lines of said Dry Creek Road, the following eight (8) bearings and distances:

- 1) South 36° 03' 44" East, a distance of 20.64 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 2) South 11° 35' 37" East, a distance of 593.70 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 3) South 12° 13' 42" East, a distance of 721.17 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 4) South 11° 31' 51" East, a distance of 1,285.35 feet to an 8-inch cedar fence corner post found for corner;
- 5) South 00° 48' 15" East, a distance of 159.84 feet to a 6-inch cedar fence corner post found for corner;
- 6) South 39° 04' 45" West, a distance of 71.90 feet to an 8-inch cedar fence corner post found for corner;
- 7) South 78° 27' 46" West, a distance of 772.29 feet to a 6-inch cedar fence corner post found for corner;
- 8) South 79° 38' 55" West, a distance of 784.15 feet to a 7-inch cedar fence corner post found for the most Easterly Northeast corner of said 691.822 acre tract;

THENCE, along and with the East lines of said 691.822 acre tract same being the occupied West right-of-way line of said Dry Creek Road, the following seven (7) bearings and distances:

- 1) South 10° 03' 46" West, a distance of 75.84 feet to a 37-inch live oak tree;
- 2) South 13° 04' 38" East, a distance of 86.31 feet to a 7-inch cedar fence corner post;
- 3) South 26° 28' 01" East, a distance of 83.48 feet to an 8-inch cedar fence corner post;
- 4) South 21° 18' 42" East, a distance of 512.98 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 5) South 21° 10' 59" East, a distance of 911.78 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;
- 6) South 25° 11' 46" East, a distance of 622.32 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." set for an angle point;



- 7) South $21^{\circ} 52' 46''$ East, a distance of 608.22 feet to a 3-inch metal fence post found for the occupied Southeast corner of said 691.822 acre tract and the occupied Northeast corner of a called 100 acre tract of land described as Second Tract in an instrument to Barbara Lou Segler et al recorded in Volume 364, Page 54 of the D.R.C.C.T.;

THENCE, along and with the common line of said 100 acre tract and said 691.822 acre tract, the following four (4) bearings and distances:

- 1) South $78^{\circ} 19' 35''$ West, a distance of 1,848.63 feet to a 7-inch cedar fence post found for an angle point;
- 2) South $78^{\circ} 18' 17''$ West, a distance of 1,280.10 feet to a 4-inch metal fence post found for an angle point;
- 3) South $78^{\circ} 45' 38''$ West, a distance of 806.01 feet to a t-post found for an angle point;
- 4) South $77^{\circ} 54' 58''$ West, a distance of 885.98 feet to a calculated point in the approximate centerline of Plum Creek and being the East line of a called 204.145 acre tract of land described in an instrument to La Familia Partnership, LTD., recorded in Volume 228, Page 493, O.P.R.C.C.T., and being further described in Volume 416, Page 694, D.R.C.C.T., and being the common Westerly corner of said 100 acre tract and said 691.822 acre tract and marking the most Southerly Southwest corner of the herein described tract;

THENCE, along and with the approximate centerline of Plum Creek, same being the East line of said 204.145 acre tract and the West line of said 691.822 acre tract, the following forty-one (41) bearings and distances:

- 1) North $23^{\circ} 24' 09''$ East, a distance of 57.35 feet to a calculated point for corner;
- 2) North $11^{\circ} 15' 07''$ East, a distance of 99.02 feet to a calculated point for corner;
- 3) North $03^{\circ} 03' 49''$ West, a distance of 83.76 feet to a calculated point for corner;
- 4) North $40^{\circ} 07' 18''$ West, a distance of 54.71 feet to a calculated point for corner;
- 5) North $43^{\circ} 48' 44''$ West, a distance of 86.61 feet to a calculated point for corner;
- 6) North $76^{\circ} 38' 06''$ West, a distance of 59.52 feet to a calculated point for corner;
- 7) North $89^{\circ} 34' 23''$ West, a distance of 159.53 feet to a calculated point for corner;
- 8) North $45^{\circ} 43' 00''$ West, a distance of 237.39 feet to a calculated point for corner;
- 9) North $04^{\circ} 50' 50''$ West, a distance of 88.11 feet to a calculated point for corner;
- 10) North $38^{\circ} 24' 49''$ West, a distance of 112.95 feet to a calculated point for corner;
- 11) North $31^{\circ} 03' 49''$ West, a distance of 66.09 feet to a calculated point for corner;
- 12) North $48^{\circ} 41' 53''$ West, a distance of 69.74 feet to a calculated point for corner;
- 13) South $81^{\circ} 32' 05''$ West, a distance of 138.88 feet to a calculated point for corner;
- 14) South $84^{\circ} 47' 07''$ West, a distance of 45.19 feet to a calculated point for corner;
- 15) South $80^{\circ} 12' 18''$ West, a distance of 76.04 feet to a calculated point for corner;
- 16) South $75^{\circ} 16' 21''$ West, a distance of 22.49 feet to a calculated point for corner;
- 17) South $33^{\circ} 29' 16''$ West, a distance of 72.95 feet to a calculated point for corner;
- 18) South $66^{\circ} 38' 23''$ West, a distance of 113.82 feet to a calculated point for corner;
- 19) North $52^{\circ} 12' 37''$ West, a distance of 29.22 feet to a calculated point for corner;
- 20) North $51^{\circ} 00' 35''$ West, a distance of 100.62 feet to a calculated point for corner;
- 21) North $58^{\circ} 43' 21''$ West, a distance of 115.68 feet to a calculated point for corner;
- 22) South $89^{\circ} 41' 28''$ West, a distance of 84.87 feet to a calculated point for corner;
- 23) North $49^{\circ} 34' 03''$ West, a distance of 161.32 feet to a calculated point for corner;
- 24) North $10^{\circ} 20' 55''$ West, a distance of 146.23 feet to a calculated point for corner;
- 25) North $06^{\circ} 40' 43''$ East, a distance of 113.07 feet to a calculated point for corner;



- 26) North 02° 26' 01" West, a distance of 62.69 feet to a calculated point for corner;
- 27) North 06° 30' 09" East, a distance of 51.12 feet to a calculated point for corner;
- 28) North 12° 55' 26" East, a distance of 70.10 feet to a calculated point for corner;
- 29) North 15° 21' 21" East, a distance of 97.97 feet to a calculated point for corner;
- 30) North 10° 31' 47" East, a distance of 155.22 feet to a calculated point for corner;
- 31) North 24° 32' 11" East, a distance of 33.50 feet to a calculated point for corner;
- 32) North 11° 05' 46" East, a distance of 56.86 feet to a calculated point for corner;
- 33) North 19° 37' 09" East, a distance of 179.53 feet to a calculated point for corner;
- 34) North 33° 57' 25" East, a distance of 116.26 feet to a calculated point for corner;
- 35) North 42° 05' 09" East, a distance of 86.94 feet to a calculated point for corner;
- 36) North 59° 43' 10" East, a distance of 77.48 feet to a calculated point for corner;
- 37) North 52° 59' 09" East, a distance of 217.90 feet to a calculated point for corner;
- 38) North 54° 38' 09" East, a distance of 79.74 feet to a calculated point for corner;
- 39) North 34° 30' 50" East, a distance of 166.27 feet to a calculated point for corner;
- 40) North 11° 33' 43" East, a distance of 112.67 feet to a calculated point for corner;
- 41) North 04° 11' 35" West, a distance of 78.81 feet to a calculated point for the Northeast corner of said 204.145 acre tract and being the Southeast corner of said 57.315 acre tract;

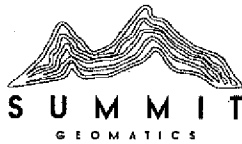
THENCE, South 78° 34' 00" West, along and with the occupied South line of said 57.315 acre tract and being the occupied North line of said 204.145 acre tract, a distance of 1,616.84 feet to a calculated point for corner;

THENCE, North 11° 27' 55" East, over and across said 57.315 acre tract, a distance of 55.71 feet to a 1/2-inch iron rod with cap stamped "Hinkle Surveying" found for the monumented Southeast corner of a called 9.988 acre tract of land described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 601, O.P.R.C.C.T.;

THENCE, North 11° 09' 57" East, along and with the West line of said 57.315 acre tract same being the East line of said 9.998 acre tract, the East line of a called 9.484 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 551, O.P.R.C.C.T., the East line of a called 9.391 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 558, O.P.R.C.C.T., the East line of a called 9.329 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 565, O.P.R.C.C.T., the East line of a called 9.304 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 572, O.P.R.C.C.T., the East line of a called 9.198 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 536, O.P.R.C.C.T., and the East line of a called 36.934 acre tract described in an instrument to Spencewood, Inc. recorded in Volume 634, Page 528, O.P.R.C.C.T., at a distance of 2,444.22 feet passing a 1/2-inch iron rod (bent) and continuing for a total distance of 2,591.70 feet to a calculated point in the approximate centerline of Plum Creek and being the Northeast corner of said 36.934 acre tract;

THENCE, along and with the North line of said 36.934 acre tract, the following eight (8) bearings and distances:

- 1) North 31° 24' 31" West, a distance of 61.66 feet to a calculated point for corner;
- 2) North 08° 56' 21" West, a distance of 84.16 feet to a calculated point for corner;
- 3) North 40° 23' 15" West, a distance of 114.49 feet to a calculated point for corner;
- 4) North 43° 38' 39" West, a distance of 134.69 feet to a calculated point for corner;
- 5) North 19° 31' 20" West, a distance of 80.43 feet to a calculated point for corner;
- 6) North 37° 11' 55" West, a distance of 100.98 feet to a calculated point for corner;



- 7) North 45° 50' 12" West, a distance of 211.91 feet to a calculated point for corner;
- 8) North 68° 14' 45" West, a distance of 106.56 feet to a 60D nail found on the East right-of-way line of said S.H. 130;

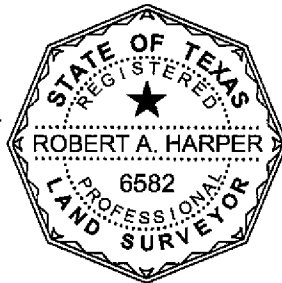
THENCE, North 11° 10' 57" East, along and with the East right-of-way line of said S.H. 130, a distance of 1,552.24 feet to a TxDOT Type II brass disc monument marking the beginning of a curve to the right;

THENCE, continuing along and with the East right-of-way line of said S.H. 130 and along said curve to the right through an angle of 02° 17' 59", having a radius of 12,000.00 feet, an arc length of 481.63 feet and whose long chord bears North 12° 19' 56" East, a distance of 481.60 feet to the **POINT OF BEGINNING** and containing 889.3 acres of land.

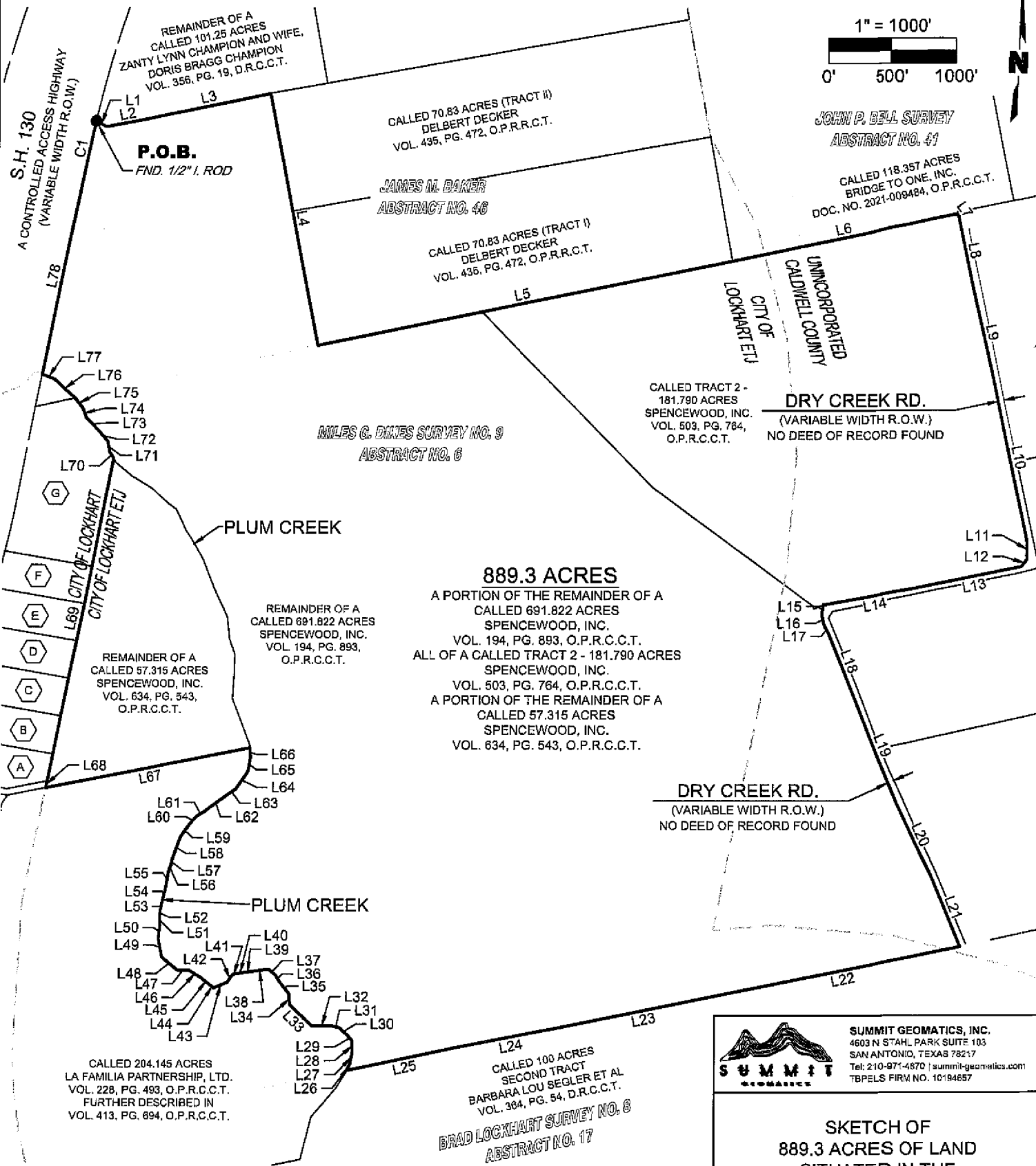
Notes:

- 1) Bearing orientation is based upon the Texas Coordinate System, South Central Zone 4204, North American Datum of 1983 (NAD 83), 2011 Adjustment, Epoch 2010.00. Distances shown hereon are in Surface. To convert distances to Divide by the Surface Adjustment Factor of 1.00013.
- 2) This M&B description was prepared in conjunction with a survey sketch of even date.

Robert A. Harper, RPLS No. 6582
Summit Geomatics, Inc.
4603 N Stahl Park Suite 103
San Antonio, Texas 78217
TBPELS Firm No. 10194657



SKETCH TO ACCOMPANY M&B DESCRIPTION



1" = 1000'

0' 500' 1000'



GENERAL NOTES:

1. BEARING ORIENTATION IS BASED UPON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE 4204, NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. MEASUREMENTS ARE IN U.S. SURVEY FEET. DISTANCES AND COORDINATES SHOWN HEREON ARE IN SURFACE AND MAY BE CONVERTED TO GRID BY USING THE COMBINED ADJUSTMENT FACTOR OF 1.00013.
2. A METES AND BOUNDS DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS SKETCH.



SUMMIT GEOMATICS, INC.
4603 N STAHL PARK SUITE 103
SAN ANTONIO, TEXAS 78217
Tel: 210-971-4870 | summit-geomatics.com
TBPELS FIRM NO. 10194657

**SKETCH OF
889.3 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
MILES G. DIKES SURVEY NO. 9, A-6
CALDWELL COUNTY, TEXAS**

SCALE:	JOB NO.:	DATE:	SHEET:
1"=1,000'	24.0329	02/08/2025	1 OF 2

SKETCH TO ACCOMPANY M&B DESCRIPTION

LEGEND

DOC. DOCUMENT
FND. FOUND
I. IRON
NO. NUMBER
O.P.R.C.C.T. OFFICIAL PUBLIC RECORDS
OF CALDWELL COUNTY, TEXAS
PG. PAGE
P.O.B. POINT OF BEGINNING
VOL. VOLUME

LINE TABLE

NO.	BEARING	DISTANCE
L1	S 61°53'33" E	93.52'
L2	N 78°52'36" E	348.06'
L3	N 78°30'19" E	950.36'
L4	S 10°40'13" E	2,008.96'
L5	N 78°21'12" E	3,275.62'
L6	N 78°03'03" E	1,777.47'
L7	S 36°03'44" E	20.64'
L8	S 11°35'37" E	593.70'
L9	S 12°13'42" E	721.17'
L10	S 11°31'51" E	1,285.35'
L11	S 00°48'15" E	159.84'
L12	S 39°04'45" W	71.90'
L13	S 78°27'46" W	772.29'
L14	S 79°38'55" W	784.15'
L15	S 10°03'46" W	75.84'
L16	S 13°04'38" E	86.31'
L17	S 26°28'01" E	83.48'
L18	S 21°18'42" E	512.98'
L19	S 21°10'59" E	911.78'
L20	S 25°11'46" E	622.32'
L21	S 21°52'46" E	608.22'
L22	S 78°19'35" W	1,848.63'
L23	S 78°18'17" W	1,280.10'
L24	S 78°45'38" W	806.01'
L25	S 77°54'58" W	885.98'
L26	N 23°24'09" E	57.35'
L27	N 11°15'07" E	99.02'
L28	N 03°03'49" W	83.76'
L29	N 40°07'18" W	54.71'
L30	N 43°48'44" W	86.61'
L31	N 76°38'06" W	59.52'
L32	N 89°34'23" W	159.53'
L33	N 45°43'00" W	237.39'
L34	N 04°50'50" W	88.11'
L35	N 38°24'49" W	112.95'
L36	N 31°03'49" W	66.09'
L37	N 48°41'53" W	69.74'
L38	S 81°32'05" W	138.88'
L39	S 84°47'07" W	45.19'

LINE TABLE

NO.	BEARING	DISTANCE
L40	S 80°12'18" W	76.04'
L41	S 75°16'21" W	22.49'
L42	S 33°29'16" W	72.95'
L43	S 66°38'23" W	113.82'
L44	N 52°12'37" W	29.22'
L45	N 51°00'35" W	100.62'
L46	N 58°43'21" W	115.68'
L47	S 89°41'28" W	84.87'
L48	N 49°34'03" W	161.32'
L49	N 10°20'55" W	146.23'
L50	N 06°40'43" E	113.07'
L51	N 02°26'01" W	62.69'
L52	N 06°30'09" E	51.12'
L53	N 12°55'26" E	70.10'
L54	N 15°21'21" E	97.97'
L55	N 10°31'47" E	155.22'
L56	N 24°32'11" E	33.50'
L57	N 11°05'46" E	56.86'
L58	N 19°37'09" E	179.53'
L59	N 33°57'25" E	116.26'
L60	N 42°05'09" E	86.94'
L61	N 59°43'10" E	77.48'
L62	N 52°59'09" E	217.90'
L63	N 54°38'09" E	79.74'
L64	N 34°30'50" E	166.27'
L65	N 11°33'43" E	112.67'
L66	N 04°11'35" W	78.81'
L67	S 78°34'00" W	1,616.84'
L68	N 11°27'55" E	55.71'
L69	N 11°09'57" E	2,591.70'
L70	N 31°24'31" W	61.66'
L71	N 08°56'21" W	84.16'
L72	N 40°23'15" W	114.49'
L73	N 43°38'39" W	134.69'
L74	N 19°31'20" W	80.43'
L75	N 37°11'55" W	100.98'
L76	N 45°50'12" W	211.91'
L77	N 68°14'45" W	106.56'
L78	N 11°10'57" E	1,552.24'

A

REMAINDER OF A
CALLED 9.988 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 601, O.P.R.C.C.T.

B

REMAINDER OF A
CALLED 9.484 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 551, O.P.R.C.C.T.

C

REMAINDER OF A
CALLED 9.381 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 558, O.P.R.C.C.T.

D

REMAINDER OF A
CALLED 9.329 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 565, O.P.R.C.C.T.

E

REMAINDER OF A
CALLED 9.304 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 572, O.P.R.C.C.T.

F

REMAINDER OF A
CALLED 9.198 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 538, O.P.R.C.C.T.

G

REMAINDER OF A
CALLED 36.934 ACRES
SPENCEWOOD, INC.
VOL. 634, PG. 528, O.P.R.C.C.T.

CURVE TABLE

NO.	ARC LENGTH	RADIUS	DELTA	CHORD BEARING	CHORD DISTANCE
C1	481.63'	12,000.00'	2°17'59"	N 12°19'56" E	481.60'



SUMMIT GEOMATICS, INC.
4603 N STAHL PARK SUITE 103
SAN ANTONIO, TEXAS 78217
Tel: 210-971-4870 | summit-geomatics.com
TBPELS FIRM NO. 10194657

SKETCH OF
889.3 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
MILES G. DIKES SURVEY NO. 9, A-6
CALDWELL COUNTY, TEXAS

SCALE:	JOB NO.:	DATE:	SHEET:
1"=1,000'	24.0329	02/06/2025	2 OF 2

EXHIBIT B
(Melde Tract – 148.5 Acres)

DESCRIPTION OF A 148.5 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
CALDWELL COUNTY, TEXAS

BEING a 148.5 acre tract of land situated in the James M. Baker Survey, Abstract No. 46 of Caldwell County, Texas, being all of a called 70.83 acre tract of land described as Tract I and all of a called 70.83 acre tract of land described as Tract II recorded in Volume 435, Page 472, of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 148.5 acre tract of land described by metes and bounds as follows:

COMMENCING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 553, Page 255, O.P.R.C.C.T., Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Pg. 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T.), being the Southwest corner of the remainder of a called 101-1/4 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of a called 691.822 acre tract of land described in an instrument recorded to Spencewood, Inc. recorded in Volume 194, Page 893, O.P.R.C.C.T.;

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101-1/4 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." found in the center of an old tree stump with wire for the Northwest corner and **POINT OF BEGINNING** of the herein described tract;

THENCE, North 79° 42' 13" East, along and with the North line of said 70.83 acre Tract II same being the South line of said 101-1/4 acre tract, and the South line of a called 78.962 acre tract of land described in an instrument to David L. Pittman recorded in Volume 35, Page 339, D.R.C.C.T., a distance of 3,290.86 feet to a 3/8-inch iron rod found on the West line of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T., for the Southeast corner of said 78.962 acre tract, marking the Northeast corner of the herein described tract;

THENCE, South 10° 12' 23" East, along and with the West line of said 118.357 acre tract same being the East lines of said 70.83 acre Tracts I and II, a distance of 1,931.74 feet to a 3/8-inch iron rod found on the North line of a called 181.790 acre tract of land described as Tract 2 in an instrument to Spencewood Inc., recorded in Volume 503, Page 764, O.P.R.C.C.T., and marking the Southeast corner of said 70.83 acre Tract I and the herein described tract;

THENCE, South 78° 21' 12" West, along and with the South line of said 70.83 acre Tract I same being the North lines of said 181.790 acre tract and said 691.822 acre tract, a distance of 3,275.62 feet to a 10-inch Cedar Post found marking the Southwest corner of said 70.83 acre Tract I and the herein described tract;

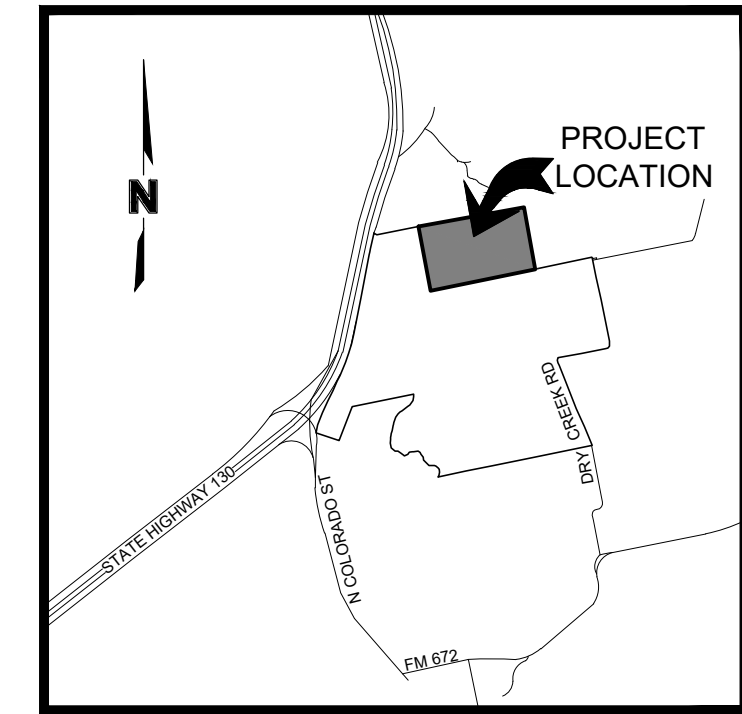
THENCE, North 10° 40' 13" West, along and with an East line of said 691.822 acre tract and the West lines of said 70.83 acre Tracts I and II, a distance of 2,008.96 feet to **POINT OF BEGINNING** and containing 148.5 acres of land.

Notes:

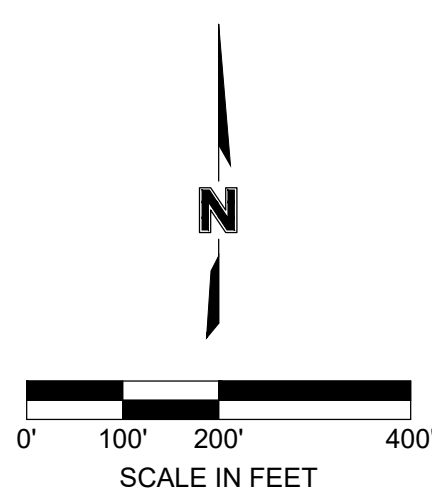
- 1) Bearing orientation is based upon the Texas Coordinate System, South Central Zone 4204, North American Datum of 1983 (NAD 83), 2011 Adjustment, Epoch 2010.00. Distances shown hereon are in Surface. To convert distances to Divide by the Surface Adjustment Factor of 1.00013.
- 2) This M&B description was prepared in conjunction with a survey of even date.

Robert A. Harper, RPLS No. 6582

Summit Geomatics, Inc.
4603 N Stahl Park Suite 103
San Antonio, Texas 78217
TBPELS Firm No. 10194657



LOCATION MAP
NOT TO SCALE



LEGEND

C.M.	CONTROLLING MONUMENT	R.C.P.	REINFORCED CONCRETE PIPE
C.M.P.	CORRUGATED METAL PIPE	R.O.W.	RIGHT-OF-WAY
C.O.	CLEAN OUT	R.P.	REFLECTOR POST
CONC.	CONCRETE	TBL	TELEPHONE
D.E.	DRAINAGE EASEMENT	U.C.B.	UNDERGROUND CABLE/COMMUNICATION BOX
D.R.C.C.T.	DEED RECORDS OF CALDWELL COUNTY, TEXAS	U.E.	UTILITY EASEMENT
D.O.C.	DOCUMENT	U.E.B.	UNDERGROUND ELECTRIC BOX
E.C.R.	ELECTRIC CONDUIT RISER	VOL.	VOLUME
ELEC.	ELECTRIC	TEL. PED.	TELEPHONE PEDESTAL
ESMT.	EASEMENT	TRANS.	TRANSFORMER
F.H.	FIRE HYDRANT	W.M.	WATER METER
F.O.M.	FIBER OPTIC METER	W.V.	WATER VALVE
FND.	FOUND	W.V.	WATER VALVE
F.P.	FENCE POST	W.V.	WATER VALVE
I.C.H.	IRON	W.V.	WATER VALVE
MON.	MONUMENT	W.V.	WATER VALVE
M.P.R.C.C.T.	MAP AND PLAT RECORDS OF CALDWELL COUNTY, TEXAS	W.V.	WATER VALVE
NO.	NUMBER	W.V.	WATER VALVE
O.P.R.C.C.T.	OFFICIAL PUBLIC RECORDS OF CALDWELL COUNTY, TEXAS	W.V.	WATER VALVE
PED.	PEDESTAL	W.V.	WATER VALVE
PG.	PAGE	W.V.	WATER VALVE
P.L.M.	PIPELINE MARKER	W.V.	WATER VALVE
P.O.B.	POINT OF BEGINNING	W.V.	WATER VALVE
P.P.	POWER POLE	W.V.	WATER VALVE

TITLE COMMITMENT NOTES:

- Easement granted by August Schuenemann to Texas Power & Light Company, recorded in Volume 121, Page 595, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Adoff Seeliger and wife, Martha Seeliger, to Sinclair Refining Company, recorded in Volume 217, Page 118, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Hilmer A. Seeliger to Humble Pipe Line Company, recorded in Volume 291, Page 578, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Hilmer A. Seeliger and wife, Jewell Seeliger, to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 298, Page 210, Deed Records, Caldwell County, Texas. (This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Easement granted by Jewell Seeliger, Alvina Bragg, and Lena Jackson to The Veterans' Land Board of the State of Texas, recorded in Volume 303, Page 567, Deed Records, Caldwell County, Texas. (Shown Hereon)
- Easement granted by Fane and Alvina Bragg to Delbert Decker recorded in Volume 322, Page 227, Deed Records, Caldwell County, Texas. (This easement is a part of our subject tract - No description for the easement, Terrace outlet easement)
- Easement granted by Delbert Decker to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 365, Page 79, Deed Records, Caldwell County, Texas. (This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Easement granted Veteran's Land Board of Texas and Delbert Decker by to Plum Creek Conservation District of Lockhart, Texas, recorded in Volume 365, Page 393, Deed Records, Caldwell County, Texas. This easement is for floodwater retarding structure No. 22, which does not appear to have been constructed - No description for the easement - likely reverted back to Grantor due to no construction)
- Terms, Conditions, and Stipulations contained in the Easement and Right of Way Agreement, recorded in Volume 220, Page 838, Official Public Records, Caldwell County, Texas. (This is a Blanket Easement. No description provided)
- 10q (Not survey related)

DESCRIPTION OF A 148.5 ACRE TRACT OF LAND
SITUATED IN THE JAMES M. BAKER SURVEY, ABSTRACT NO. 46
CALDWELL COUNTY, TEXAS

BEING a 148.5 acre tract of land situated in the James M. Baker Survey, Abstract No. 46 of Caldwell County, Texas, being all of a called 70.83 acre tract of land described as Tract I and all of a called 70.83 acre tract of land described as Tract II recorded in Volume 435, Page 472, of the Official Public Records of Caldwell County, Texas (O.P.R.C.C.T.); said 148.5 acre tract of land described by metes and bounds as follows:

COMMENCING at a 1/2-inch iron rod found on the East right-of-way line of State Highway 130 a controlled access variable width right-of-way (right-of-way being dedicated in the following documents: Volume 579, Page 39, O.P.R.C.C.T., Volume 579, Page 47, O.P.R.C.C.T., Volume 579, Page 27, O.P.R.C.C.T., Volume 579, Page 55, O.P.R.C.C.T., Volume 579, Page 65, O.P.R.C.C.T., Volume 579, Page 73, O.P.R.C.C.T., Volume 579, Page 81, O.P.R.C.C.T., Volume 579, Page 89, O.P.R.C.C.T., Volume 579, Page 104, O.P.R.C.C.T., Volume 579, Pg. 112, O.P.R.C.C.T., Volume 579, Page 97, O.P.R.C.C.T., Volume 579, Page 120, O.P.R.C.C.T., Volume 579, Page 128, O.P.R.C.C.T., Volume 619, Page 659, O.P.R.C.C.T., Volume 619, Page 661, O.P.R.C.C.T., and Volume 579, Page 136, O.P.R.C.C.T., being the Southwest corner of the remainder of a called 101.25 acre tract of land described in an instrument to Zanty Lynn Champion and wife Doris Bragg Champion recorded in Volume 356, Page 19, Deed Records of Caldwell County, Texas (D.R.C.C.T.) and being the Northwest corner of a called 691.822 acre tract of land described in an instrument recorded to Spencewood, Inc. recorded in Volume 194, Page 893, O.P.R.C.C.T.,

THENCE, South 61° 53' 33" East, along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 93.52 feet to a 5-inch cedar fence corner post found for an angle point;

THENCE, North 78° 52' 36" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 348.06 feet to a 4-inch cedar fence post found for an angle point;

THENCE, North 78° 30' 19" East, continuing along and with the North line of said 691.822 acre tract and the South line of said 101.25 acre tract, a distance of 950.36 feet to a 5/8-inch iron rod with cap stamped "Summit Geomatics, Inc." found in the center of an old tree stump with wire for the Northwest corner and POINT OF BEGINNING of the herein described tract;

THENCE, North 79° 42' 13" East, along and with the North line of said 70.83 acre Tract 2 same being the South line of said 101.25 acre tract, and the South line of a called 78.962 acre tract of land described in an instrument to David L. Pittman recorded in Volume 35, Page 339, O.P.R.C.C.T., a distance of 3,290.86 feet to a 3/8-inch iron rod found on the West line of a called 118.357 acre tract of land described in an instrument to Bridge to One, Inc. recorded in Document No. 2021-009484, O.P.R.C.C.T., being the Northeast corner of the herein described tract;

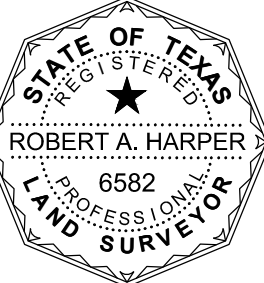
THENCE, South 10° 12' 23" East, along and with the West line of said 118.357 acre tract same being the East lines of said 70.83 acre Tracts I and II, a distance of 1,931.74 feet to a 3/8-inch iron rod found on the North line of a called 181.790 acre tract of land described as Tract 2 in an instrument to Spencewood Inc., recorded in Volume 503, Page 764, O.P.R.C.C.T., and marking the Southeast corner of said 70.83 acre Tract I and the herein described tract;

THENCE, South 78° 21' 12" West, along and with the South line of said 70.83 acre Tract I same being the North lines of said 181.790 acre tract and said 691.822 acre tract, a distance of 3,275.62 feet to a 10-inch Cedar Post found marking the Southwest corner of said 70.83 acre Tract I and the herein described tract;

THENCE, North 10° 40' 13" West, along and with an East line of said 691.822 acre tract and the West lines of said 70.83 acre Tracts I and II, a distance of 2,038.96 feet to POINT OF BEGINNING and containing 148.5 acres of land.

GENERAL NOTES:

- BEARING ORIENTATION IS BASED UPON THE TEXAS COORDINATE SYSTEM, SOUTH CENTRAL ZONE 4204, NORTH AMERICAN DATUM OF 1983 (NAD 83), 2011 ADJUSTMENT, EPOCH 2010.00. MEASUREMENTS ARE IN U.S. SURVEY FEET. DISTANCES AND COORDINATES SHOWN HEREON ARE IN SURFACE AND MAY BE CONVERTED TO GRID BY USING THE COMBINED ADJUSTMENT FACTOR OF 1.00013.
- THIS SURVEY WAS MADE IN RELIANCE UPON THAT CERTAIN COMMITMENT FOR TITLE INSURANCE ISSUED BY FIRST AMERICAN TITLE INSURANCE COMPANY UNDER G.F. NO. 1002-402927-RTT, DATED EFFECTIVE FEBRUARY 1, 2025 AND ISSUED ON FEBRUARY 26, 2025.
- PROPERTY LIES IN ZONE "A" AND UNSHADED ZONE "X" AS DELINEATED ON THE FLOOD INSURANCE RATE MAP FOR CALDWELL COUNTY, TEXAS AND INCORPORATED AREAS, MAP NO. 48055C0120E, EFFECTIVE DATE JUNE 19, 2012. FLOODLINES SHOWN HEREON WERE OBTAINED FROM THE FEMA GIS DATASET.
- A METES AND BOUNDS DESCRIPTION OF EVEN DATE WAS PREPARED IN CONJUNCTION WITH THIS SURVEY.
- FIELD WORK WAS COMPLETED ON JUNE 20, 2025.



PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

ROBERT A. HARPER, RPLS NO. 6582
SUMMIT GEOMATICS, INC.
TEL: (210) 971-4870
RHARPER@SUMMIT-GEOMATICS.COM



SUMMIT GEOMATICS, INC.
4603 N STAHL PARK SUITE 103
SAN ANTONIO, TEXAS 78217
Tel: 210-971-4870 | summit-geomatics.com
TBPELS FIRM NO. 10194657

CATEGORY 1A, CONDITION 2
LAND TITLE SURVEY OF
148.5 ACRES OF LAND
SITUATED IN THE
JAMES M. BAKER SURVEY, A-46
CALDWELL COUNTY, TEXAS

SCALE:	JOB NO.:	DATE:	SHEET:
1"=200'	25.0125	06/23/2025	1 OF 1

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and consider temporary staging area easements with Guadalupe-Blanco River Authority (GBRA) at the Cesar Chavez elevated storage tank site on SH130 and the Lockhart Water Treatment Plant located on Old McMahan Road for the Carrizo Groundwater Supply TX-130 Project.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The Carrizo Groundwater Supply Project TX-130 Expansion, aims to add another 9,000 acre-feet/year to the existing Carrizo Groundwater Supply Project. This expansion includes enhancements to existing infrastructure and new improvements such as a booster pump station (to be located off Silent Valley Road near Stueve Lane), and piping to northwestern Caldwell County. The expansion will serve Camino Real, County Line SUD, and Maxwell SUD. The project will also include the construction of the second delivery point tap, to be located at the Cesar Chavez elevated storage tank. The new delivery point will have the capability to receive all or some of the annual 3,000 acre-feet of water the City of Lockhart will receive from the Carrizo Groundwater Supply Project.

To advance the project, GBRA has requested two temporary staging areas to be used for materials and equipment for the project. The two areas consist of the land located to the east of the Cesar Chavez EST and an area at the rear of the Water Treatment Plant. The duration of the temporary easements would be until September 30, 2026 for the Water Treatment Plant site and until March 31, 2027 for the Cesar Chavez EST site. The City would maintain access to the sites and retain normal/regular utility operations during the temporary staging for the project. Portions of the project have already begun, including the construction of the booster pump station, the dedication of the easements for the second delivery point, along with the engineering evaluation that is underway to connect to the secondary delivery point.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

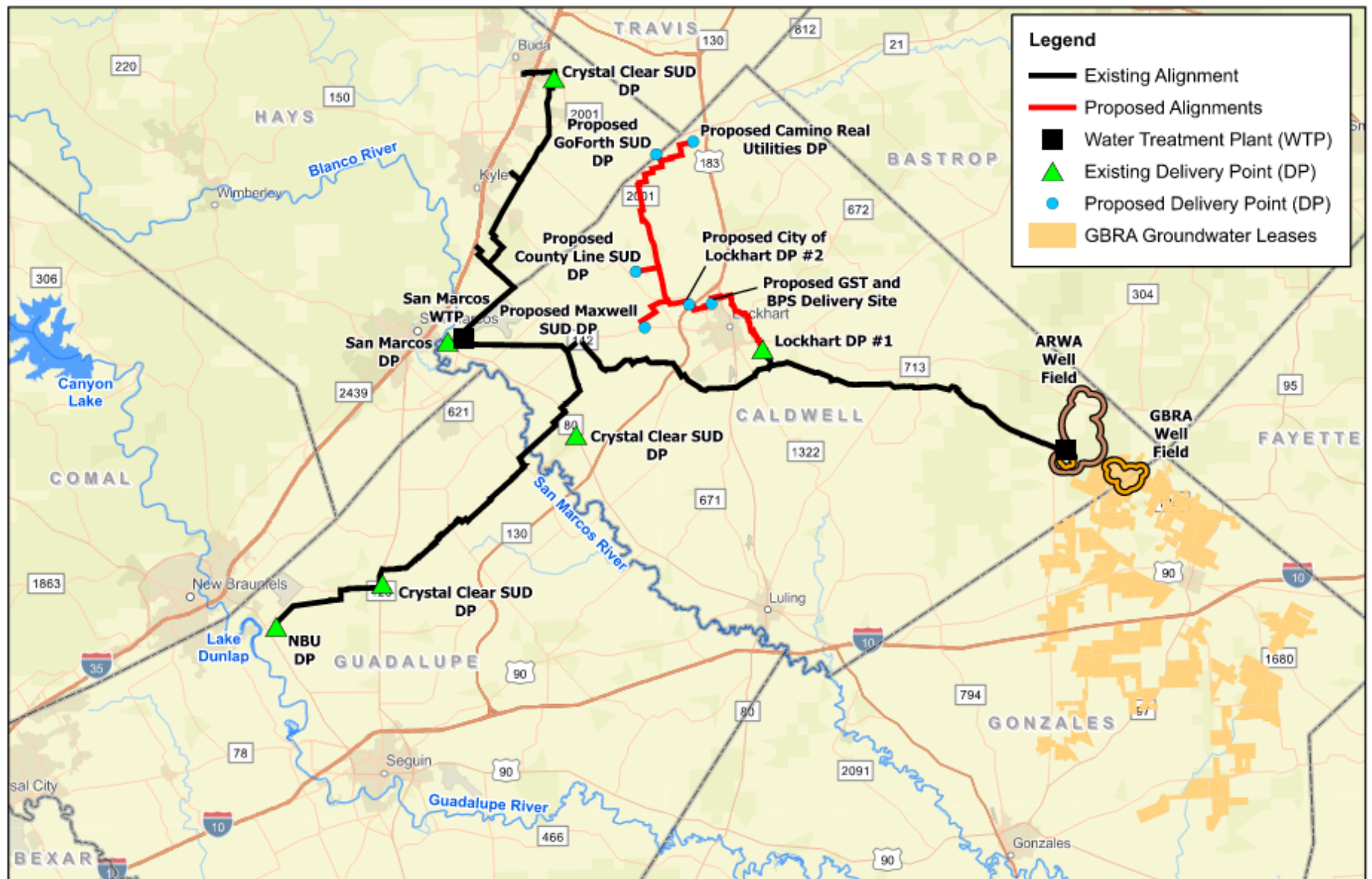
City of Lockhart, Texas

Council Agenda Item Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the temporary staging easements at the Cesar Chavez EST and the Lockhart Water Treatment Plant.

LIST OF SUPPORTING DOCUMENTS: CGSP TX-130 Project Map, GBRA ER Temp Staging Area Easement, GBRA NR Temp Staging Area Easement



TEMPORARY STAGING AREA AND MATERIAL STORAGE SITE EASEMENT

STATE OF TEXAS §
§
COUNTY OF CALDWELL §

CITY OF LOCKHART, whose mailing address is P.O BOX 239, LOCKHART, CALDWELL County, Texas 78644, , (called “**Grantors**”), whether one or more), in consideration of One Dollar and other good and valuable consideration to Grantors in hand paid by Guadalupe-Blanco River Authority, the receipt and sufficiency of which is acknowledged, have this day **GRANTED AND CONVEYED**, and by these presents do **GRANT AND CONVEY**, unto Guadalupe-Blanco River Authority situated in the County of Comal and whose address is 2225 E. Common St., New Braunfels, Texas, Comal County, Texas 78130, a temporary easement to stage and to place and store materials and equipment for the Carrizo Groundwater Supply TX-130 Project (“**Project**”), in, on, and across the following described land:.

That certain tract of land in Caldwell County, Texas described in **EXHIBIT "A"** attached and incorporated for all purposes, and Exhibit “B” identifying the location of the Temporary Staging Area and Material Storage Site Easement (“**Temporary Easement Tract**”).

TO HAVE AND TO HOLD the same during the Project construction period to the Guadalupe-Blanco River Authority, its successors and assigns, together with the right at any time during the Project construction period to enter all or part of the Temporary Easement Tract and a Temporary Staging Area and Material Storage Site to stage and to place and store materials and equipment and stage the Project; and upon completion of the Project remove and restore the surface of the Temporary Staging Area and Material Storage Site Easement (the "Temporary Easement") to a similar or better condition than existed prior to start of construction on the Temporary Easement Tract; Further, Grantee's right to use the Easement Property is nonexclusive. Grantor reserves access to the Temporary Easement Tract at all times when construction workers are not present; but not to interfere with the normal and/or regular operations of the site. In the event Grantor needs to access the Temporary Easement Tract while workers are present, Grantor shall notify Grantee’s contractor for access.

This Temporary Easement is effective for 16 months and ends no later than September 30, 2026. The Temporary Easement automatically terminates on the expiration date and becomes null and void. Guadalupe-Blanco River Authority, its successors and assigns, have no further rights hereunder. No written release by Guadalupe-Blanco River Authority is required or necessary.

GRANTOR does hereby bind itself, its heirs, successors, assigns and

legal representatives to warrant and forever defend all and singular the above described easement and rights unto the Guadalupe-Blanco River Authority, its successors, and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Executed on _____, 2025.

GRANTOR:
City of Lockhart

By: _____
NAME: _____
TITLE: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared _____, in the capacity as _____ of the City of Lockhart and known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he / she executed the same for the purposes and consideration therein expressed and in the capacity there stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

ACCEPTED:

GUADALUPE-BLANCO RIVER AUTHORITY

By: _____
Darrell Nichols
General Manager/CEO

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF COMAL §

BEFORE ME, the undersigned authority, on this day personally appeared Darrell Nichols, General Manager/CEO of the Guadalupe-Blanco River Authority, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of
_____ 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

PLEASE RETURN RECORDED ORIGINAL TO:
Guadalupe-Blanco River Authority
2225 E. Common St.
New Braunfels, Texas 78130

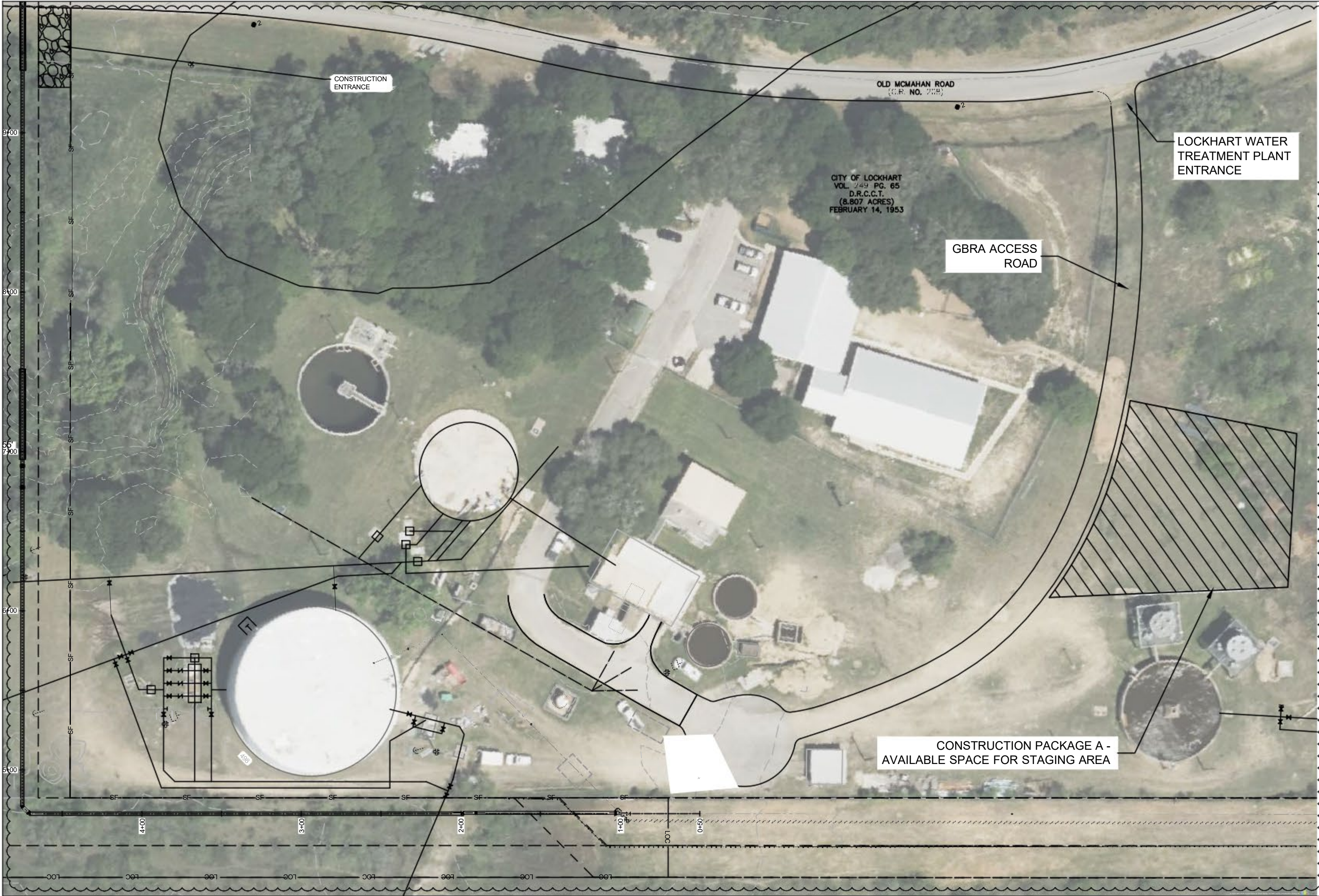
ATTN: General Manager/CEO

EXHBIT "A"

8.807 acres of land out of the James George League in Caldwell County, Texas as described in Deed dated February 14, 1953, from Elton B. Sanders and wife, Dorothy E. Sanders to the City of Lockhart and recorded in Volume 249, Page 65, Deed Records of Caldwell County, Texas.

EXHBIT "B"

LOCATION OF TEMPORARY EASEMENT TRACT



NOTE:
1. CONTRACTORS WILL BE RESPONSIBLE FOR SECURING STAGING AREA, AND COORDINATING WITH LOCKHART WTP STAFF ON SECURITY, ACCESS, AND MOBILITY AROUND THE SITE SO AS NOT TO IMPEDE ANY ONGOING WORK.

CALL BEFORE YOU DIG!
TEXAS 811
811
THE LONE STAR
NOTIFICATION COMPANY
AT 1-800-669-8344

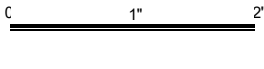
HDR
Texas P.E. Firm
Registration No. F-754

ISSUE	DATE	DESCRIPTION
B	04/04/2025	ISSUED FOR ADDENDUM #1
A	01/24/2025	ISSUED FOR BID

PROJECT MANAGER	S. E. MABROUK
DESIGNED BY	S. E. MABROUK
DESIGNED BY	--
DRAWN BY	J. A. CANTU
DRAWN BY	--
CHECKED BY	D. W. APPELEGATE
PROJECT DATE	JANUARY 2025
PROJECT NUMBER	10350654



**GUADALUPE - BLANCO
RIVER AUTHORITY
CONSTRUCTION PACKAGE A**
**CARRIZO GROUNDWATER
SUPPLY PROJECT (CGSP)**
TX-130 EASTERN PIPELINE



CIVIL
SITE
AVAILABLE STAGING AREA

FILENAME 02C-07.dwg
SCALE 1" = 30'



TEMPORARY STAGING AREA AND MATERIAL STORAGE SITE EASEMENT

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

CITY OF LOCKHART, TEXAS whose mailing address is P.O BOX 239, LOCKHART, CALDWELL County, Texas 78644, (called "**Grantors**"), whether one or more), in consideration of One Dollar and other good and valuable consideration to Grantors in hand paid by Guadalupe-Blanco River Authority, the receipt and sufficiency of which is acknowledged, have this day **GRANTED AND CONVEYED**, and by these presents do **GRANT AND CONVEY**, unto Guadalupe-Blanco River Authority situated in the County of Comal and whose address is 2225 E. Common St., New Braunfels, Texas, Comal County, Texas 78130, a temporary easement to stage and to place and store materials and equipment for the Carrizo Groundwater Supply TX-130 Project ("**Project**"), in, on, and across the following described land:.

That certain tract of land in Caldwell County, Texas described in **EXHIBIT "A"** attached and incorporated for all purposes and shown on **Exhibit "B"** ("**Temporary Easement Tract**").

TO HAVE AND TO HOLD the same during the Project construction period to the Guadalupe-Blanco River Authority, its successors and assigns, together with the right at any time during the Project construction period to enter all or part of the Temporary Easement Tract and a Temporary Staging Area and Material Storage Site to stage and to place and store materials and equipment and stage the Project; and upon completion of the Project remove and restore the surface of the Temporary Staging Area and Material Storage Site Easement (the "Temporary Easement") to a similar or better condition than existed prior to start of construction on the Temporary Easement Tract; Further, Grantee's right to use the Easement Property is nonexclusive. Grantor reserves access to the Temporary Easement Tract at all times when construction workers are not present; but not to interfere with the normal and/or regular operations of the site. In the event Grantor needs to access the Temporary Easement Tract while workers are present, Grantor shall notify Grantee's contractor for access.

This Temporary Easement is effective for 21 months and ends no later than March 31, 2027. The Temporary Easement automatically terminates on the expiration date and becomes null and void. Guadalupe-Blanco River Authority, its successors and assigns, have no further rights hereunder. No written release by Guadalupe-Blanco River Authority is required or necessary.

GRANTOR does hereby bind itself, its heirs, successors, assigns and legal representatives to warrant and forever defend all and singular the above described easement and rights unto the Guadalupe-Blanco River Authority, its successors, and

assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Executed on _____, 2025.

GRANTOR:
City of Lockhart, Texas

By: _____
NAME: _____
TITLE: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared _____, in the capacity as _____ of the City of Lockhart, Texas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he / she executed the same for the purposes and consideration therein expressed and in the capacity there stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of _____, 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

ACCEPTED:

GUADALUPE-BLANCO RIVER AUTHORITY

By: _____
Darrell Nichols
General Manager/CEO

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF COMAL §

BEFORE ME, the undersigned authority, on this day personally appeared Darrell Nichols, General Manager/CEO of the Guadalupe-Blanco River Authority, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and, in the capacity, therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of
_____ 2025.

Notary Public in and for the State of Texas

(Print Name of Notary Public Here)

PLEASE RETURN RECORDED ORIGINAL TO:

**Guadalupe-Blanco River Authority
2225 E. Common St.
New Braunfels, Texas 78130**

ATTN: General Manager/CEO

EXHBIT "A"

Lot 1, Block 1, Spillmann Subdivision, a subdivision of record in Cabinet C, Slide 108, Plat Records of Caldwell County, Texas, said Lot 1 conveyed to City of Lockhart, Texas by Special Warranty Deed dated June 19, 2018, as recorded in Document No. 2018-003421, Official Public Records, Caldwell County, Texas.

EXHBIT "B"

LOCATION OF TEMPORARY EASEMENT TRACT



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding amending the Interlocal Agreement between Capital Area Rural Transportation System (CARTS) and the City of Lockhart.

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 to support operating costs incurred for providing transit services in the Lockhart area.

During the July 15th City Council meeting, Mr. Marsh and Ms. Dana Platt, CARTS Community Services Director, gave a presentation to City Council with additional information associated with their increased funding allocation request. This includes the addition of a third vehicle added to the CARTS Now fleet that services the Lockhart zone and updates on a future transit station. Mr. Marsh advised CARTS will apply for TxDOT grant funding in the first quarter of 2026 to complete the design of the future transit station. The final location, design, and construction timeline would occur over a 2-3 year period, if the grant funding application is successful.

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:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Given the high level of local use of this service and CART's contemplated investment of a multi-modal station in Lockhart, an increase to \$40,000 would be appropriate.

LIST OF SUPPORTING DOCUMENTS: Second Addendum to ILA with CARTS, CARTS-City of Lockhart Interlocal Agreement

**SECOND 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, 2026; 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 \$40,000.00; 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, in consideration 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, 2026, unless terminated earlier in accordance with applicable provisions herein. After September 30, 2026, 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 Forty Thousand and No/100 Dollars (\$40,000.00). The payment schedule for the City’s payment of the lump sum amount under this Agreement shall be made by the City to CARTS on January 30, 2026.

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

IN WITNESS WHEREOF, the parties hereto have executed this Second Addendum to the Interlocal Cooperation Agreement as of the ____ day of August 2025.

CITY OF LOCKHART, TEXAS

By _____
Lew White
Mayor, City of Lockhart

ATTEST:

By _____
Julie Bowermon,
City Secretary, City of Lockhart

APPROVED AS TO FORM:

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

**CAPITAL AREA RURAL
TRANSPORTATION SYSTEM**

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

**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.

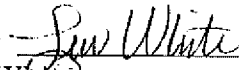
**Article IV.
PAYMENT BY CITY FOR SERVICES**

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.

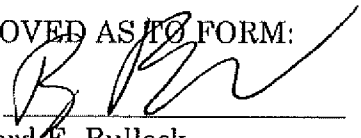
CITY OF LOCKHART, TEXAS

By 
Lew White
Mayor, City of Lockhart

ATTEST:

By 
Julie Bowermon,
City Secretary, City of Lockhart

APPROVED AS TO FORM:

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

CAPITAL AREA RURAL
TRANSPORTATION SYSTEM

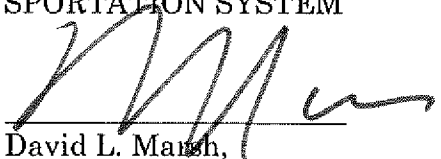
By 
David L. Marsh,
General Manager, Capital Area Rural
Transportation System

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.
- 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

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

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Consideration and action with respect to Ordinance 2025-15 authorizing the issuance of the Series 2025 Certificates of Obligation.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Ordinance

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 found 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 Ordinance 2025-15.

LIST OF SUPPORTING DOCUMENTS: Ordinance 2025-15

ORDINANCE NO. 2025-15

**ORDINANCE AUTHORIZING THE ISSUANCE OF THE CITY OF LOCKHART,
TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION,
SERIES 2025; AUTHORIZING THE LEVY OF AN AD VALOREM TAX AND THE
PLEDGE OF CERTAIN REVENUES IN SUPPORT OF THE CERTIFICATES;
APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR
AGREEMENT AND OTHER AGREEMENTS RELATING TO THE SALE AND
ISSUANCE OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS
RELATED TO THE ISSUANCE OF THE CERTIFICATES**

Adopted on August 5, 2025

ORDINANCE NO. 2025-15

ORDINANCE AUTHORIZING THE ISSUANCE OF \$_____ CITY OF LOCKHART, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2025; AUTHORIZING THE LEVY OF AN AD VALOREM TAX AND THE PLEDGE OF CERTAIN REVENUES IN SUPPORT OF THE CERTIFICATES; APPROVING AN OFFICIAL STATEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND OTHER AGREEMENTS RELATING TO THE SALE AND ISSUANCE OF THE CERTIFICATES; AND AUTHORIZING OTHER MATTERS RELATED TO THE ISSUANCE OF THE CERTIFICATES

WHEREAS, the City Council of the City of Lockhart, Texas (the "City") deems it advisable to issue certificates of obligation in the amount of \$_____ (the "Certificates") and finds that the payment in whole or in part of contractual obligations are incurred or to be incurred for improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services in connection therewith including fiscal and engineering fees and the costs of issuing the certificates of obligation related thereto; and

WHEREAS, the Certificates hereinafter authorized and designated are to be issued and delivered for cash pursuant to Subchapter C of Chapter 271, Texas Local Government Code, as amended, and Section 1502.052, Texas Government Code, as amended; and

WHEREAS, the City Council (the "City Council") of the City of Lockhart, Texas (the "City"), by resolution adopted on May 20, 2025, directed publication of notice of the City's intention to issue certificates of obligation in an aggregate principal amount not to exceed \$20,000,000 for the purposes hereinafter set forth; and

WHEREAS, the notice was published on May 29, 2025 and June 5, 2025 in the *Lockhart Post-Register*, a newspaper of general circulation in the City and a "newspaper" as defined in Section 2051.044, Government Code and posted on the City's website continuously since March 14, 2025; and

WHEREAS, on July 15, 2025 delayed the sale of the Certificates to their August 5, 2025 meeting date in order to comply with the legally required posting requirements and provide Council additional time to consider the issuance; and

WHEREAS, there has not been filed with the City Secretary or any other officer of the City a petition protesting the issuance of such certificates of obligation and requesting an election on the same; and

WHEREAS, it is affirmatively found and determined that the City is authorized to proceed with the issuance and sale of such certificates of obligation as authorized by the Constitution and

laws of the State of Texas, including, particularly, Chapter 271, Texas Local Government Code, as amended, and Chapter 1502, Texas Government Code, as amended; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Ordinance has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Ordinance, was given, all as required by the applicable provisions of Tex. Gov't Code Ann. Ch. 551; Now, Therefore

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

ARTICLE I
DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definition

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance the following terms shall have the meanings specified below:

"Certificate" means any of the Certificates.

"Certificates" means the City's certificates of obligation entitled "City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025" authorized to be issued by Section 3.01 of this Ordinance.

"Closing Date" means the date of the initial delivery of and payment for the Certificates.

"Code" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions relating thereto.

"Construction Fund" means the construction fund established by Section 8.01(a) of this Ordinance.

"Defeasance Securities" means (i) Federal Securities, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provides for the funding of an escrow to effect the defeasance of the Certificates, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Certificates.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named herein, its corporate trust office in Austin, Texas, and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"DTC" means The Depository Trust Company of New York, New York, or any successor securities depository.

"DTC Participant" means any broker, dealer, bank, trust company, clearing corporation or certain other organizations with Certificates credited to an account maintained on its behalf by DTC.

"Event of Default" means any Event of Default as defined in Section 10.01 of this Ordinance.

"Federal Securities" as used herein means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America (including Interest Strips of the Resolution Funding Corporation).

"Initial Certificate" means the Certificate described in Section 3.04(d) and 6.02.

"Interest and Sinking Fund" means the interest and sinking fund established by Section 8.01(a) of this Ordinance.

"Interest Payment Date" means the date or dates upon which interest on the Certificates is scheduled to be paid until the maturity of the Certificates, such dates being February 1 and August 1 of each year commencing February 1, 2026.

"MSRB" means the Municipal Securities Rulemaking Board.

"Ordinance" means this Ordinance.

"Original Issue Date" means the initial date from which interest on the Certificates accrues and which is designated in Section 3.02(a) of this Ordinance.

"Owner" means the person who is the registered owner of a Certificate or Certificates, as shown in the Register.

"Paying Agent/Registrar" means BOKF, NA dba Bank of Texas, any successor thereto or an entity which is appointed as and assumes the duties of paying agent/registrar as provided in this Ordinance.

"Purchaser" means the person, firm or entity initially purchasing the Certificates from the City and which is designated in Section 7.01 of this Ordinance.

"Record Date" means the 15th day of the month next preceding an Interest Payment Date.

"Register" means the Register specified in Section 3.06(a) of this Ordinance.

"Representation Letter" means the Blanket Issuer Letter of Representations with respect to the Certificates and other obligations of the City, between the City and DTC.

"Rule" means SEC Rule 15c2-12, as amended from time to time.

"SEC" means the United States Securities and Exchange Commission.

"Special Payment Date" means the Special Payment Date prescribed by Section 3.03(b) of this Ordinance.

"Special Record Date" means the new record date for interest payment established in the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, as described in Section 3.03(b) of this Ordinance.

"Surplus Revenues" means the revenues of the City's water and wastewater system, available after deduction of the reasonable expenses of said System and the payment of all debt service, reserve and other requirements with respect to all of the City's revenue bonds and other obligations, now outstanding or hereafter issued, that are payable in whole or in part from a pledge of all or part of the revenues of such System.

"Unclaimed Payments" means money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Certificates as the same become due and payable or money set aside for the payment of Certificates duly called for redemption prior to maturity, and remaining unclaimed for 90 days after the applicable payment or redemption date.

Section 1.02. Other Definitions.

The terms "City Council" and "City" shall have the meanings assigned in the preamble to this Ordinance.

Section 1.03. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings.

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

ARTICLE II SECURITY FOR THE CERTIFICATES

Section 2.01. Tax Levy for Payment of the Certificates.

(a) The City Council hereby declares and covenants that it will provide and levy a tax legally and fully sufficient for payment of the Certificates, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations of the City.

(b) In order to provide for the payment of the debt service requirements on the Certificates, being (i) the interest on the Certificates and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (whichever amount is the greater), there is hereby levied for the current year and each succeeding year thereafter, while the Certificates or interest thereon remain outstanding and unpaid, a tax within legal limitations on each \$100 valuation of taxable property in the City that is sufficient to pay such debt service requirements, full allowance being made for delinquencies and costs of collection.

(c) The tax levied by this Section shall be assessed and collected each year and applied to the payment of the debt service requirements on the Certificates, and the tax shall not be diverted to any other purpose.

Section 2.02. Revenue Pledge.

The Certificates are additionally secured by and shall be payable from a limited pledge of the Surplus Revenues of the City's water and wastewater system not to exceed \$1,000.

ARTICLE III AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE CERTIFICATES

Section 3.01. Authorization.

The City's certificates of obligation to be designated "City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas in the

aggregate principal amount of \$ _____ for the purpose of paying contractual obligations incurred or to be incurred for improving, constructing, equipping, acquiring, or designing the City's: (1) parks and recreation facilities, to include an aquatics center, recreation center and improving Lions Park; (2) public safety facilities, including the acquisition of land for police and fire facilities; (3) existing administration building; and (4) the payment of professional services in connection therewith including fiscal and engineering fees and the costs of issuing the certificates of obligation related thereto.

Section 3.02. Date, Denomination, Maturities, Numbers and Interest.

(a) The Certificates shall be dated August 14, 2025 and have an Original Issue Date of August 14, 2025, shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof, and shall be numbered separately from one upward or such other designation acceptable to the City and the Paying Agent/Registrar.

(b) The Certificates shall mature on August 1 in the years and in the principal amounts and interest rates set forth below, interest on each Certificate accruing from the Original Issue Date or the most recent Interest Payment Date to which interest has been paid or provided for at the per annum rates of interest, payable semiannually on February 1 and August 1 of each year commencing February 1, 2026, until the principal amount shall have been paid or provision for such payment shall have been made, as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>RATE</u>	<u>YEAR</u>	<u>AMOUNT</u>	<u>RATE</u>
2027	\$	%	2042	\$	%
2028			2043		
2029			2044		
2030			2045		
2031			2046		
2032			2047		
2033			2048		
2034			2049		
2035			2050		
2036			2051		
2037			2052		
2038			2053		
2039			2054		
2040			2055		
2041					

Section 3.03. Medium, Method and Place of Payment.

(a) The principal of, premium, if any, and interest on the Certificates shall be paid in lawful money of the United States of America as provided in this Section.

(b) Interest on the Certificates shall be payable to the Owners whose names appear in the Register at the close of business on the Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be at least 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Owner of a Certificate appearing on the books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

(c) Interest on the Certificates shall be paid by check (dated as of the Interest Payment Date) and sent by the Paying Agent/Registrar to the person entitled to such payment by United States mail, first class postage prepaid, to the address of such person as it appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expenses of such other customary banking arrangements.

(d) The principal of each Certificate shall be paid to the person in whose name such Certificate is registered on the due date thereof (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Certificate at the Designated Payment/Transfer Office.

(e) If a date for the payment of the principal of or interest on the Certificates is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

(f) Subject to Title 6, Texas Property Code, as amended, Unclaimed Payments remaining unclaimed for three years after the applicable payment or redemption date shall be paid by the Paying Agent/Registrar to the City, to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Certificates for any further payment of such unclaimed moneys or on account of any such Certificates, subject to any applicable escheat, abandoned property, or similar law.

Section 3.04. Execution and Initial Registration.

(a) The Certificates shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Certificates shall have the same effect as if each of the Certificates had been signed manually and in person by each of said officers, and such facsimile seal on the Certificates shall have the same effect as if the

official seal of the City had been manually impressed upon each of the Certificates.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Certificates ceases to be such officer before the authentication of such Certificates or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Certificate shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided in this Ordinance, duly authenticated by manual execution by an officer or duly authorized representative of the Paying Agent/Registrar. It shall not be required that the same authorized representative of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Certificates. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Certificate delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided in this Ordinance, manually executed by the Comptroller of Public Accounts of the State of Texas or by his duly authorized agent, which certificate shall be evidence that the Initial Certificate has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one Initial Certificate representing the entire principal amount of the Certificates, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee. Upon payment for the Initial Certificate, the Paying Agent/Registrar shall cancel the Initial Certificate and deliver to DTC on behalf of the Purchaser one registered definitive Certificate for each year of maturity of the Certificates in the aggregate principal amount of all Certificates for such maturity, registered in the name of Cede & Co., as nominee for DTC. To the extent that the Paying Agent/Registrar is eligible to participate in DTC's FAST System, pursuant to an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Certificates in safekeeping for DTC.

Section 3.05. Ownership.

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Certificate is registered as the absolute owner of such Certificate for the purpose of making and receiving payment of the principal thereof and premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that interest is to be paid to the person in whose name the Certificate is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Certificate is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the person deemed to be the Owner of any Certificate in

accordance with this Section shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Certificate to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Certificates remain outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Certificates in accordance with this Ordinance.

(b) Registration of any Certificate may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Certificates, or any portion thereof in any integral multiple of \$5,000, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Certificate or any portion thereof registered in the name of such assignee or assignees. No transfer of any Certificate shall be effective until entered in the Register. Upon assignment and transfer of any Certificate or portion thereof, a new Certificate or Certificates will be issued by the Paying Agent/Registrar in conversion and exchange for such transferred and assigned Certificate. To the extent possible the Paying Agent/Registrar will issue such new Certificate or Certificates in not more than three business days after receipt of the Certificate to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Certificate may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office, together with a written request therefor duly executed by the registered owner or assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Certificate or Certificates of the same maturity and interest rate and in any authorized denomination and in an aggregate principal amount equal to the unpaid principal amount of the Certificate presented for exchange. If a portion of any Certificate is redeemed prior to its scheduled maturity as provided herein, a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in the denomination or denominations of any integral multiple of \$5,000 at the request of the registered owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. To the extent possible, a new Certificate or Certificates shall be delivered by the Paying Agent/Registrar to the Owner of the Certificate or Certificates in not more than three business days after receipt of the Certificate to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Certificate issued in exchange for any Certificate or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Certificate for which it is being exchanged. Each substitute Certificate shall bear a letter and/or number to distinguish it from each other Certificate. The Paying Agent/Registrar shall convert and exchange the Certificates as provided herein, and each substitute Certificate delivered in accordance with this Section shall constitute an original contractual obligation of the City and

shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such substitute Certificate is delivered.

(e) The City will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Certificates, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Certificate. In addition, the City hereby covenants with the Owners of the Certificates that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Certificates, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Certificates as provided herein.

(f) Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Certificate called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Certificate.

Section 3.07. Cancellation and Authentication.

(a) All Certificates paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Certificates in lieu of which exchange Certificates or replacement Certificates are authenticated and delivered in accordance with this Ordinance, shall be canceled and destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Certificates.

(b) Each substitute Certificate issued pursuant to the provisions of Sections 3.06 and 3.08 of this Ordinance, in conversion of and exchange for or replacement of any Certificate or Certificates issued under this Ordinance, shall have printed thereon a Paying Agent/Registrar's Authentication Certificate, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate, manually sign and date such Certificate, and no such Certificate shall be deemed to be issued or outstanding unless such Certificate is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the City Council or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Certificate or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates in the manner prescribed herein. Pursuant to Title 9, Tex. Gov't Code Ann., as amended, and particularly Chapter 1201, Subchapter D thereof, the duty of conversion and exchange or replacement of Certificates as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Paying Agent/Registrar's Authentication Certificate, the converted and exchanged or replaced Certificates shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Certificate which was originally delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Certificates issued in conversion and exchange or replacement of any other Certificate or portion thereof, (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Certificates, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) shall be payable as to principal of and interest, all as provided, and in the manner required or indicated, in the Form of Certificates set forth in this Ordinance.

Section 3.08. Replacement Certificates.

(a) Upon the presentation and surrender to the Paying Agent/Registrar, at the Designated Payment/Transfer Office, of a mutilated Certificate, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Certificate to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Certificate is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Certificate has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Certificate of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Certificate;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the City to save them harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) If, after the delivery of such replacement Certificate, a bona fide purchaser of the original Certificate in lieu of which such replacement Certificate was issued presents for payment such original Certificate, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Certificate from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Certificate has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Certificate, may pay such Certificate if it has become due and payable or may pay such Certificate when it becomes due and payable.

(e) Each replacement Certificate delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Certificate or Certificates in lieu of which such replacement Certificate is delivered.

Section 3.09. Book-Entry-Only System.

(a) The definitive Certificates shall be initially issued in the form of a separate single fully registered Certificate for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Certificates shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Certificates registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates, except as provided in this Ordinance. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Certificates, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Certificates. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate is registered in the Register as the absolute Owner of such Certificate for the purpose of payment of principal of, premium, if any, and interest on the Certificates, for the purpose of giving notices of redemption and other matters with respect to such Certificate, for the purpose of registering transfer with respect to such Certificate, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Certificates only to or upon the order of the respective Owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of, premium, if any, and interest on the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the register, shall receive a Certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to

the registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

(c) The execution and delivery of the Representation Letter is hereby ratified and confirmed; and the provisions thereof shall be fully applicable to the Certificates.

Section 3.10. Successor Securities Depository; Transfer Outside Book-Entry Only System.

In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, and that it is in the best interest of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, or in the event DTC discontinues the services described herein, the City or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Certificates to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Certificates and transfer one or more separate Certificates to DTC Participants having Certificates credited to their DTC accounts, as identified by DTC. In such event, the Certificates shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Certificates shall designate, in accordance with the provisions of this Ordinance.

Section 3.11. Payments to Cede & Co.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificates are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Certificates, and all notices with respect to such Certificates, shall be made and given, respectively, in the manner provided in the Representation Letter.

**ARTICLE IV
REDEMPTION OF CERTIFICATES BEFORE MATURITY**

Section 4.01. Limitation on Redemption.

The Certificates shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02. Redemption of Certificates Prior to Maturity

(a) The City reserves the option to redeem the Certificates maturing on and after August 1, 2035, in whole or from time to time in part, before their scheduled maturity date, on August 1, 2034, or on any date thereafter (such redemption date or dates to be fixed by the City)

at a price equal to the principal amount of the Certificates called for redemption plus accrued interest from the most recent interest payment date on which interest has been paid or duly provided for to the redemption date.

(b) The City, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and of the principal amount of Certificates to be redeemed.

Section 4.03. Partial Redemption.

(a) If less than all of the Certificates are to be redeemed pursuant to Section 4.02, the City shall determine the maturities and amounts thereof to be redeemed and shall direct the Paying Agent/Registrar (or DTC or a successor securities depository, as applicable, if the Certificates are in Book-Entry-Only form) to call by lot Certificates, or portions thereof within such maturity and in such principal amounts, for redemption.

(b) A portion of a single Certificate of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of the Certificate as though it were a single Certificate for purposes of selection for redemption.

(c) Upon surrender of any Certificate for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06, shall authenticate and deliver in exchange a Certificate or Certificates in an aggregate principal amount equal to the unredeemed portion of the Certificate so surrendered.

(d) The Paying Agent/Registrar shall promptly notify the City in writing of the principal amount to be redeemed of any Certificate as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of Certificates by sending notice by United States mail, first class postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the Owner of each Certificate (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Certificates are to be surrendered for payment, and, if less than all the Certificates outstanding are to be redeemed, an identification of the Certificates or portions thereof to be redeemed.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.05. Payment Upon Redemption.

(a) Before or on each redemption date, the Paying Agent/Registrar shall make provision for the payment of the Certificates to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the City sufficient to pay the redemption price of such Certificates.

(b) Upon presentation and surrender of any Certificate called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the redemption price of such Certificate to the date of redemption from the money set aside for such purpose.

Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04, the Certificates or portions thereof called for redemption shall become due and payable on the date fixed for redemption and, unless the City defaults in the payment of the redemption price thereof, such Certificates or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Certificates are presented and surrendered for payment on such date.

(b) If any Certificate or portion thereof called for redemption is not so paid upon presentation and surrender of such Certificate for redemption, such Certificate or portion thereof shall continue to bear interest at the rate stated on the Certificate until paid or until due provision is made for the payment of same.

Section 4.07. Conditional Notice of Redemption.

With respect to any optional redemption of the Certificates, unless certain prerequisites to such redemption required by this have been met and the moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

ARTICLE V PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The City hereby appoints BOKF, NA dba Bank of Texas, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the City and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Certificate to which payments with respect to the Certificates shall be mailed, as provided herein. The City or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar has agreed to maintain a copy of the Register at its offices, or the office of its agent, located in Austin, Texas.

(b) The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates, and of all conversions, exchanges and replacements of such Certificates, as provided in this Ordinance.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, specifying the duties and responsibilities of the City and the Paying Agent/Registrar, is hereby approved with such changes as may be approved by the Mayor of the City, and the Mayor and City Secretary of the City are hereby authorized to execute such agreement.

Section 5.02. Qualifications.

Each Paying Agent/Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under applicable law, (ii) authorized under such laws to exercise trust powers, (iii) subject to supervision or examination by a federal or state governmental authority, and (iv) a single entity.

Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Certificates are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

Section 5.04. Termination.

The City reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the City (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided that no such termination shall be effective until a successor Paying Agent/Registrar has accepted the duties of Paying Agent/Registrar for the Certificates.

Section 5.05. Notice of Change to Owners.

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Paying Agent/Registrar and the mailing address of its Designated Payment/Transfer Office.

Section 5.06. Agreement to Perform Duties and Functions.

By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor.

If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Certificates to the successor Paying Agent/Registrar.

ARTICLE VI FORM OF THE CERTIFICATES

Section 6.01. Form Generally.

(a) The Certificates, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Certificates, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Certificates, as evidenced by their execution thereof.

(b) Any portion of the text of any Certificates may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Certificates.

(c) The Certificates shall be printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other manner, all as determined by the officers executing such Certificates, as evidenced by their execution thereof, except that the Initial Certificate submitted to the Attorney General of Texas, the definitive Certificates delivered to DTC and any temporary Certificates may be typewritten or photocopied or otherwise produced.

Section 6.02. Form of Certificates.

The form of Certificates, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Certificates, shall be substantially as follows:

FORM OF CERTIFICATE

NO. R-	UNITED STATES OF AMERICA	PRINCIPAL
	STATE OF TEXAS	AMOUNT
	COUNTY OF CALDWELL	\$ _____
	CITY OF LOCKHART, TEXAS	
	COMBINATION TAX AND REVENUE CERTIFICATE OF OBLIGATION	
	SERIES 2025	

INTEREST	DATE OF	MATURITY	
<u>RATE</u>	<u>CERTIFICATE</u>	<u>DATE</u>	<u>CUSIP NO.</u>
	August 14, 2025		

REGISTERED OWNER:

PRINCIPAL AMOUNT:

ON THE MATURITY DATE specified above, the CITY OF LOCKHART, in Caldwell County, Texas (the "City"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from the Date of Certificate semiannually on each February 1 and August 1 of each year commencing on February 1, 2026, to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Certificate is required to be authenticated and the date of its authentication after any Record Date (hereinafter defined) but on or before the next following interest payment date, in which case such principal amount shall bear

interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged or converted from is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the City and the securities depository.

THE PRINCIPAL OF AND INTEREST ON this Certificate are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate at maturity, or upon the date fixed for its redemption prior to maturity, at BOKF, NA, Dallas, Texas, which is the "Paying Agent/Registrar" for this Certificate at their office in Houston, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Certificate shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Certificate (the "Ordinance") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the close of business on the last business day of the month next preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Certificate appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

DURING ANY PERIOD in which ownership of the Certificates is determined only by a book entry at a securities depository for the Certificates, if fewer than all of the Certificates of the same maturity and bearing the same interest rate are to be redeemed, the particular Certificates of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the City and the securities depository.

ANY ACCRUED INTEREST due at maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate for payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The City covenants with the Registered Owner of this Certificate that on or before each payment date for this Certificate it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the

Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the City where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE is one of a series of Certificates dated August 14, 2025, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING CONTRACTUAL OBLIGATIONS INCURRED OR TO BE INCURRED FOR IMPROVING, CONSTRUCTING, EQUIPPING, ACQUIRING, OR DESIGNING THE CITY'S: (1) PARKS AND RECREATION FACILITIES, TO INCLUDE AN AQUATICS CENTER, RECREATION CENTER AND IMPROVING LIONS PARK; (2) PUBLIC SAFETY FACILITIES, INCLUDING THE ACQUISITION OF LAND FOR POLICE AND FIRE FACILITIES; (3) EXISTING ADMINISTRATION BUILDING; AND (4) THE PAYMENT OF PROFESSIONAL SERVICES IN CONNECTION THEREWITH INCLUDING FISCAL AND ENGINEERING FEES AND THE COSTS OF ISSUING THE CERTIFICATES OF OBLIGATION RELATED THERETO.**

ON AUGUST 1, 2034, or on any date thereafter, the Certificates of this Series maturing on and after August 1, 2035 may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or from time to time in part, and, if in part, the particular maturities, or sinking fund installments in the case of Term Certificates, to be redeemed shall be selected and designated by the City and if less than all of a maturity, or sinking fund installments in the case of Term Certificates, is to be redeemed, the Paying Agent/Registrar shall determine by lot or other customary random method the Certificates, or a portion thereof, within such maturity, or sinking fund installments in the case of Term Certificates, to be redeemed (provided that a portion of a Certificate may be redeemed only in an integral multiple of \$5,000).

[THE CERTIFICATES maturing on August 1 in the years 20__ and 20__ (the "Term Certificates") are subject to mandatory sinking fund redemption prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date.

Term Certificates Maturing on August 1, 20__ *

<u>Redemption Date</u>	<u>Principal Amount</u>
August 1, 20__	\$
August 1, 20__	\$

*Final Maturity

Term Certificates Maturing on August 1, 20__*

<u>Redemption Date</u>	<u>Principal Amount</u>
August 1, 20__	\$
August 1, 20__	\$

*Final Maturity

THE PRINCIPAL AMOUNT of the Term Certificates required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the City by the principal amount of any Term Certificates of the stated maturity which, at least 50 days prior to a mandatory redemption date, (1) shall have been acquired by the City, at a price not exceeding the principal amount of such Term Certificates plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the City with monies in the Interest and Sinking Fund at a price not exceeding the principal amount of the Term Certificates plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]

NO LESS THAN 30 days prior to the date fixed for any optional redemption, the City shall cause the Paying Agent/Registrar to send notice by United States mail, first-class postage prepaid to the Registered Owner of each Certificate to be redeemed at its address as it appeared on the Registration Books of the Paying Agent/Registrar at the close of business on the 45th day prior to the redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Certificates. By the date fixed for any such redemption due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates or portions thereof which are to be so redeemed. If due provision for such payment is made, all as provided above, the Certificates or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificates shall be redeemed a substitute Certificate or Certificates having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

WITH RESPECT TO any optional redemption of the Certificates, unless certain prerequisites to such redemption required by the Ordinance have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Certificates to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or

prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Certificates and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Certificates have not been redeemed.

ALL CERTIFICATES OF THIS SERIES are issuable solely as fully registered Certificates, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate, or any unredeemed portion hereof, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Certificates, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and exchanging any Certificate or portion thereof will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange during the period commencing on the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER the beneficial ownership of this Certificate is determined by a book entry at a securities depository for the Certificates, the foregoing requirements of holding, delivering or transferring this Certificate shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates.

IT IS HEREBY certified, recited, and covenanted that this Certificate has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate have been performed, existed, and been done in accordance with law; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limit prescribed by law and a subordinate lien limited pledge of the surplus revenues of the City's water and wastewater system, which amount shall not exceed \$1,000.

BY BECOMING the Registered Owner of this Certificate, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Certificate and the Ordinance constitute a contract between each Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed with the manual or facsimile signature of the Mayor of the City and countersigned with the manual or facsimile signature of the City Clerk of said City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Certificate.

City Secretary, City of Lockhart, Texas

Mayor, City of Lockhart, Texas

[CITY SEAL]

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Certificate is not accompanied by an
executed Registration Certificate of the Comptroller
Public Accounts of the State of Texas)

This is one of the Certificates referred to in the within mentioned Ordinance. The series of Certificates of which this Certificate is a part was originally issued as one Initial Certificate which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

BOKF, NA
as Paying Agent/Registrar

Dated: _____

By: _____
Authorized Representative

FORM OF ASSIGNMENT

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

Please insert Social Security or Taxpayer Identification Number of Transferee

Please print or typewrite name and address, including zip code, of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Certificate on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Certificate in every particular, without alteration or enlargement or any change whatsoever.

INITIAL CERTIFICATE INSERTIONS

The Initial Certificate shall be in the form set forth in this Section, except that:

A. Immediately under the name of the Certificates, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and "CUSIP NO." shall be deleted.

B. The first paragraph shall be deleted and the following will be inserted:

"ON THE DATE SPECIFIED BELOW, the City of Lockhart, Texas (the "City"), being a political subdivision, hereby promises to pay the annual installments set forth below to the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on _____ in each of the years, in the principal installments in the following schedule and bearing interest at the per annum rate stated above:

Year

Principal Amount

Interest Rates

(Information from Section 3 to be inserted)

The City promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Closing Date at the respective Interest Rate per annum specified above. Interest is payable on _____, and semiannually on each _____ and _____ thereafter to the date of payment of the principal installment specified above; except, that if this Certificate is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate or Certificates, if any, for which this Certificate is being exchanged is due but has not been paid, then this Certificate shall bear interest from the date to which such interest has been paid in full."

C. The Initial Certificate shall be numbered "T-1."

(ii) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Certificate in lieu of the Certificate of Paying Agent/Registrar:

FORM OF REGISTRATION CERTIFICATE OF THE COMPTROLLER OF PUBLIC ACCOUNTS

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Certificate has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Certificate has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Section 6.03. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, and may authorize the printing of such numbers on the face of the Certificates. It is expressly provided, however, that the presence or absence of CUSIP numbers

on the Certificates shall be of no significance or effect as regards the legality thereof and neither the City nor the attorneys approving said Certificates as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Certificates.

Section 6.04. Municipal Bond Insurance.

If municipal bond guaranty insurance is obtained with respect to the Certificates, the Certificates, including the Initial Certificate, may bear an appropriate legend, as provided by the insurer.

**ARTICLE VII
SALE OF THE CERTIFICATES; CONTROL
AND DELIVERY OF THE CERTIFICATES**

Section 7.01. Sale of Certificates, Official Statement.

(a) The Certificates are hereby sold and shall be delivered to the bidder whose bid produced the lowest net effective interest rate, pursuant to the taking of public bids therefor, on this date, and shall be delivered to _____ (the "Purchaser") at a price of \$ _____ representing the par amount of \$ _____ plus a reoffering premium of \$ _____ and less an underwriter's discount of \$ _____. The City will initially deliver to the Purchaser the Certificates authorized under this Ordinance. The Certificates shall initially be registered in the name of Cede & Co.

(b) The form and substance of the Official Statement for the Certificates and any addenda, supplement or amendment thereto (the "Official Statement") presented to and considered at this meeting, is hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby confirmed as deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, by the City Council. The Mayor and City Secretary of the City are hereby authorized and directed to execute the same and deliver appropriate numbers of executed copies thereof to the Purchaser of the Certificates. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor of the City and the Purchaser of the Certificates, may be used by the Purchaser in the public offering and sale thereof. The use and distribution of the Official Statement in the public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed. The City Secretary of the City is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement for the Certificates and the preliminary public offering of the Certificates by the Purchaser is hereby ratified, approved and confirmed.

(c) All officers of the City are authorized to execute such documents, certificates and receipts as they may deem appropriate in order to consummate the delivery of the Certificates.

(d) All officers of the City are authorized to do any and all things to execute and deliver any and all documents, certificates or other instruments necessary or required for the issuance of any policy or policies of municipal bond insurance relating to the Certificates. The ordinance requirements and accompanying commitments for such insurance are hereby approved and made a part of this Ordinance by reference. To the extent permitted by applicable law, the City will comply with all notice and other applicable requirements of the insurer issuing the municipal bond insurance policy and financial guaranty insurance in connection with the issuance of the Certificates, as such requirements may be in the effect and transmitted to Bond Counsel with such insurer's commitment to issue such insurance.

(e) The obligation of the Purchaser to accept delivery of the Certificates is subject to the Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., Bond Counsel for the City, which opinion shall be dated and delivered on the Closing Date. The engagement of such firm as bond counsel for the City in connection with the issuance, sale and delivery of the Certificates is hereby approved, ratified and confirmed.

Section 7.02. Control and Delivery of Certificates.

(a) The Mayor of the City is hereby authorized to have control of the Initial Certificate and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State of Texas, delivery of the Certificates shall be made to the Purchaser under and subject to the general supervision and direction of the Mayor of the City, against receipt by the City of all amounts due to the City under the terms of sale.

ARTICLE VIII CREATION OF FUNDS AND ACCOUNTS; DEPOSIT OF PROCEEDS; INVESTMENTS

Section 8.01. Creation of Funds.

(a) The City hereby establishes the following special funds or accounts:

- 1) the City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025, Interest and Sinking Fund (the "Interest and Sinking Fund"); and
- 2) the City of Lockhart, Texas, Combination Tax and Revenue Certificates of Obligation, Series 2025, Construction Fund (the "Construction Fund").

(b) The Interest and Sinking Fund and the Construction Fund shall be maintained at an official depository of the City.

Section 8.02. Interest and Sinking Fund.

a) The taxes levied and revenues pledged under Article II shall be deposited to the credit of the Interest and Sinking Fund at such times and in such amounts as necessary for the timely payment of the principal of and interest on the Certificates.

(b) The proceeds of the Certificates representing accrued interest on the Certificates shall be deposited to the credit of the Interest and Sinking Fund for the payment of interest on the Certificates.

(c) Money on deposit in the Interest and Sinking Fund shall be used to pay the principal of and interest on the Certificates as such become due and payable.

Section 8.03. Construction Fund.

(a) Money on deposit in the Construction Fund, including investment earnings thereof, shall be used for the purposes specified in Section 3.01 of this Ordinance.

(b) All amounts remaining in the Construction Fund after the accomplishment of the purposes for which the Certificates are hereby issued, including investment earnings of the Construction Fund, shall be deposited into the Interest and Sinking Fund, unless a change in applicable law, as evidenced by an opinion of bond counsel, permits or authorizes all or any part of such funds to be used for other purposes.

Section 8.04. Security of Funds.

All moneys on deposit in the funds referred to in this Ordinance shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

Section 8.05. Deposit of Proceeds.

(a) All amounts received on the Closing Date as accrued interest on the Certificates from the Original Issue Date to the Closing Date, and premium, if any, on the Certificates shall be deposited to the Interest and Sinking Fund.

(b) The remainder of the proceeds of the Certificates shall be deposited to the Construction Fund and used for the purposes specified in Section 3.01 hereof and for paying the costs of issuance with respect to the Certificates.

Section 8.06. Investments.

(a) Money in the funds established by this Ordinance, at the option of the City, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.07. Investment Income.

Interest and income derived from investment of any fund created by this Ordinance shall be credited to such fund.

**ARTICLE IX
PARTICULAR REPRESENTATIONS AND COVENANTS**

Section 9.01. Payment of the Certificates.

While any of the Certificates are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay the interest on and the principal of the Certificates, as applicable, as will accrue or mature on each applicable Interest Payment Date.

Section 9.02. Other Representations and Covenants.

(a) The City will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Ordinance and in each Certificate; the City will promptly pay or cause to be paid the principal of, interest on, and premium, if any, with respect to, each Certificate on the dates and at the places and manner prescribed in such Certificate; and the City will, at the times and in the manner prescribed by this Ordinance, deposit or cause to be deposited the amounts of money specified by this Ordinance.

(b) The City is duly authorized under the laws of the State of Texas to issue the Certificates; all action on its part for the creation and issuance of the Certificates has been duly and effectively taken; and the Certificates in the hands of the Owners thereof are and will be valid and enforceable obligations of the City in accordance with their terms.

Section 9.03. Covenants Regarding Tax Exemption of Interest on the Certificates.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

- 1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed

therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates, in contravention of section 141(b)(2) of the Code;

- 2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Certificates or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;
- 3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Certificates (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;
- 4) to refrain from taking any action which would otherwise result in the Certificates being treated as "private activity bonds" within the meaning of section 141(b) of the Code;
- 5) to refrain from taking any action that would result in the Certificates being "federally guaranteed" within the meaning of section 149(b) of the Code;
- 6) to refrain from using any portion of the proceeds of the Certificates, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Certificates, other than investment property acquired with:
 - i. proceeds of the Certificates invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Certificates are issued,
 - ii. amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and
 - iii. amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Certificates;
- 7) to otherwise restrict the use of the proceeds of the Certificates or amounts treated as proceeds of the Certificates, as may be necessary, so that the Certificates do not

otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

- 8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Certificates) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Certificates have been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "Rebate Fund" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the City Manager or Director of Finance to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates. The Ordinance is intended to satisfy the official intent requirements set forth in Section 1.152.2 of the Treasury Regulations.

(d) Allocation Of and Limitation On, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 3.01 of this Ordinance (the "Project") on its books and records in accordance with the requirements of the Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Code, the sale proceeds or investment earnings must be expended no more

than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates, or (2) the date the Certificates are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Certificates. For purposes of this subsection, the portion of the property comprising personal property and disposed of in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this subsection, the City shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Written Procedures. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City hereby adopts and establishes the instructions attached hereto as Exhibit "A" as their written procedures for the Certificates and any other tax-exempt debt or obligation outstanding or hereafter issued.

ARTICLE X DEFAULT AND REMEDIES

Section 10.01. Events of Default.

Each of the following occurrences or events for the purpose of this Ordinance is hereby declared to be an "Event of Default," to-wit:

- i. the failure to make payment of the principal of or interest on any of the Certificates when the same becomes due and payable; or
- ii. default in the performance or observance of any other covenant, agreement or obligation of the City, the failure to perform which materially, adversely affects the rights of the Registered Owners of the Certificates, including, but not limited to, their prospect or ability to be repaid in accordance with this Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any Registered Owner to the City.

Section 10.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including, but not limited to, a trustee or trustees therefor,

may proceed against the City, or any official, officer or employee of the City in their official capacity, for the purpose of protecting and enforcing the rights of the Owners under this Ordinance, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Certificates then outstanding.

Section 10.03. Remedies Not Exclusive.

(a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Certificates or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Ordinance, the right to accelerate the debt evidenced by the Certificates shall not be available as a remedy under this Ordinance.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(c) By accepting the delivery of a Certificate authorized under this Ordinance, such Owner agrees that the certifications required to effectuate any covenants or representations contained in this Ordinance do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the City or the City Council.

(d) No covenant or agreement contained in the Certificates, this Ordinance or any corollary instrument shall be deemed to be the covenant or agreement of any member of the City Council or any officer, agent, employee or representative of the City Council in his or her individual capacity, and neither the directors, officers, agents, employees or representatives of the City Council nor any person executing the Certificates shall be personally liable thereon or be subject to any personal liability for damages or otherwise or accountability by reason of the issuance thereof, or any actions taken or duties performed, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty, or otherwise, all such liability being expressly released and waived as a condition of and in consideration for the issuance of the Certificates.

ARTICLE XI DISCHARGE AND DEFEASANCE

Section 11.01. Defeasance of Certificates.

(a) Any Certificate and the interest thereon shall be deemed to be paid, retired and no longer outstanding ("Defeased Certificate") within the meaning of this Ordinance, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Certificate, plus interest thereon to the due date or dates (whether such due date or dates be by

reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or a commercial bank or trust company for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by an independent public accounting firm of national reputation to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the City with the Paying Agent/Registrar or a commercial bank or trust company for the payment of its services until all Defeased Certificates shall have become due and payable or (3) any combination of (1) and (2). At such time as a Certificate shall be deemed to be a Defeased Certificate hereunder, as aforesaid, such Certificate and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes herein levied as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed payment of a Certificate as aforesaid when proper notice of redemption of such Certificates shall have been given, in accordance with this Ordinance. Any money so deposited with the Paying Agent/Registrar or a commercial bank or trust company as provided in this Section may at the discretion of the City Council also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section which is not required for the payment of such Certificate and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the City Council.

(c) Notwithstanding any provision of any other Section of this Ordinance which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Certificates and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Certificates and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Certificates shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Certificates the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

(d) Notwithstanding anything elsewhere in this Ordinance, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or a commercial bank or trust company pursuant to this Section for the payment of Certificates and such Certificates shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the registered owner of each Certificate affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Certificate to be paid at its maturity, the City retains the right under Texas law to later call that Defeased Certificate for redemption in accordance with the provisions of the Ordinance authorizing its issuance, the City may call such Defeased Certificate for redemption upon complying with the provisions of Texas law and upon the satisfaction of the

provisions of subsection (a) immediately above with respect to such Defeased Certificate as though it was being defeased at the time of the exercise of the option to redeem the Defeased Certificate and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Certificate.

As used in this section, "Defeasance Securities" means (i) Federal Securities, and (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council adopts or approves proceedings authorizing the issuance of refunding certificates or otherwise provide for the funding of an escrow to effect the defeasance of the Certificates are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

ARTICLE XII CONTINUING DISCLOSURE UNDERTAKING

Section 12.01 Annual Reports.

(a) The City shall provide annually to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of any fiscal year, financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by Section 7.01(b) of this Ordinance, being the information described in Exhibit "B" hereto. Any financial statements to be so provided shall be (1) prepared in accordance with the accounting principles described in Exhibit "B" hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide unaudited financial statements within such period, and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

(b) If the City changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document that is available to the public on the MSRB's internet web site or filed with the SEC. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.02. Material Event Notices.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Certificates.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other events affecting the tax status of the Certificates;
7. Modifications to rights of holders of the Certificates, if material;
8. Certificate calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holder, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material within the meaning of the federal securities laws; and

Appointment of a successor or additional trustee or the change of name of a trustee, if material within the meaning of the federal securities laws.

The City shall notify the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with section 12.01 of this Ordinance by the time required by such section. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.03 Limitations, Disclaimers, and Amendments.

(a) The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an "obligated person" with respect to the Certificates within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 12.02 of this Ordinance that causes the Certificates no longer to be outstanding.

(b) The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates at any future date.

(c) UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

(d) No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

(e) Should the Rule be amended to obligate the City to make filings with or provide notices to entities other than the MSRB, the City hereby agrees to undertake such obligation with respect to the Certificates in accordance with the Rule as amended.

(f) Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

(g) The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates in the primary offering of the Certificates in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates consents to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates in the primary offering of the Certificates.

(h) All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

(i) Financial information and operating data to be provided pursuant to Section 12.01 may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

ARTICLE XIII

AMENDMENTS AND OTHER PROVISIONS

Section 13.01 Amendments.

This Ordinance shall not be amended or repealed by the City while any Certificate remains outstanding, except as permitted by this Section. The City, without the consent of or notice to any Owner, from time to time and at any time, may amend this Ordinance in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency,

or formal defect or omission herein. In addition, the City, with the written consent of Owners holding a majority in aggregate principal amount of the Certificates then outstanding affected thereby, may amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Owners of then outstanding Certificates, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates, reduce the principal amount thereof, redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Certificates, (ii) give any preference to any Certificate over any other Certificate, or (iii) reduce the aggregate principal amount of Certificates required for consent to any such amendment, addition, or rescission.

Section 13.02. No Recourse Against City Officials

No recourse shall be had for the payment of principal of or interest on any Certificates or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Certificates.

Section 13.03. Further Procedures.

The officers and employees of the City are hereby authorized and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of and under the corporate seal of the City all such instruments, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Certificates, the Paying Agent/Registrar Agreement, and the Official Statement. In addition, prior to the initial delivery of the Certificates, the Mayor, the City Manager or Director of Finance of the City, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Certificates by the Attorney General of Texas. In the event that any officer of the City whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 13.04. Severability.

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance is held to be invalid or unenforceable, the remainder of this Ordinance and the application of such section, article, paragraph, sentence, clause, phrase or word to other persons and circumstances nevertheless shall be valid and enforceable; and it is hereby declared that this Ordinance would have been enacted without such invalid or unenforceable provision.

Section 13.05. Interpretations.

All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance and the Table of Contents of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Certificates and the validity of the lien on and pledge of the Pledged Revenues to secure the payment of the Certificates.

Section 13.06. Inconsistent Provisions.

All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

Section 13.07. Interested Parties.

Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the registered owners of the Certificates, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the registered owners of the Certificates.

Section 13.08. Incorporation of Recitals.

The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

Section 13.09. Repealer.

This Ordinance shall become effect immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 13.10. Effective Date.

This Ordinance shall become effect immediately from and after its passage on first and final reading in accordance with Section 1201.028, Texas Government Code, as amended.

Section 13.11. Perfection.

Chapter 1208, Government Code, applies to the issuance of the Certificates and the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 6 and 7 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Certificates are outstanding and unpaid such that the pledge of ad valorem taxes and surplus net revenues granted by the City under Sections 6 and 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to

preserve to the registered owners of the Certificates the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 13.12. Electronic Signatures.

The City's Financial Advisor, Bond Counsel and City Attorney are hereby authorized to use electronic signatures for the Mayor, the City Secretary, the Director of Finance, the City Manager or any other authorized representative of the City in connection with the offering and sale of the Certificates.

IN ACCORDANCE WITH SECTION 1201.028, Texas Government Code, finally passed, approved and effective on August 5th, 2025.

CITY OF LOCKHART, TEXAS

Mayor, City of Lockhart, Texas

ATTEST:

City Secretary, City of Lockhart, Texas

[CITY SEAL]

EXHIBIT "A"

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds, Notes, Certificates, Leases or other Obligations now or hereafter outstanding as having the interest on such debt exempt from Federal income taxes of the debt holder (the "Obligations") the Issuer's City Manager or Director of Finance (the "Responsible Person") will, as applicable to each issuance of Obligations:

- Instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Obligations will be entered into within 6 months of the Issue Date;
- Monitor that at least 85% of the proceeds of the Obligations to be used for the construction, renovation or acquisition of any facilities are expended within 3 years of the date of delivery of the Obligations ("Issue Date");
- Restrict the yield of the investments to the yield on the Obligations after 3 years of the Issue Date;
- Monitor all amounts deposited into a sinking fund or funds, e.g., the Debt Service Fund/Bond Fund/Interest and Sinking Fund, to assure that the maximum amount invested at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the Obligations in the succeeding 12-month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Obligations for the immediately preceding 12-month period;
- Ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more;
- Assure that the maximum amount of any reserve fund for any Obligations invested at a yield higher than the yield on the Obligations will not exceed the lesser of (1) 10% of the principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations measured as of the Issue Date, or (3) 100% of the maximum annual debt service on the Obligations as of the Issue Date;
- Monitor the actions of the escrow agent (to the extent an escrow is funded with proceeds) to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;
- Maintain any official action of the Issuer (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Obligations any amount

expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;

- Ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
- Assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Obligations are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bonds the Responsible Person will:

- Monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- Monitor whether, at any time the Obligations are outstanding, any person, other than the Issuer, the employees of the Issuer, the agents of the Issuer or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- Determine whether, at any time the Obligations are outstanding, any person, other than the Issuer, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- Determine whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- Take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Order related to the public use of the facilities.

C. Record Retention. The Responsible Persons will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Obligations and the use of the facilities financed or refinanced thereby for a period ending three (3) years after

the complete extinguishment of the Obligations. If any portion of the Obligations is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Persons. Each Responsible Person shall receive appropriate training regarding the Issuer's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Obligations. The foregoing notwithstanding, the Responsible Persons are authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT "B"

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Article XII of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The portions of the financial statements of the City appended to the Official Statement as Appendix B, but for the most recently concluded fiscal year.
2. Statistical and financial data set forth in Tables 1 through 5, inclusive, and 7 through 11, inclusive in the Official Statement.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in Appendix B to the Official Statement.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Presentation of the City of Lockhart's Fiscal Year (FY) 2025-2026 Proposed Budget and consider the Lockhart Economic Development Corporation's Budget for FY 2025-2026, and set two public hearings on the FY 2025-2026 City of Lockhart Proposed Budget.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Keeli Michna

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: 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 2025-2026 Budget. The following dates are presented to the Council for public hearings:

- August 19, 2025 at 7:30 p.m.
- September 2, 2025 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 2025-2026 can be located on the City's website and hard copies are located in City Hall and the City Library.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully request the approval of the Lockhart Economic Development Corporation's budget and of the two dates presented to Council for public hearings on the City's proposed budget.

LIST OF SUPPORTING DOCUMENTS: FYE 2026 Proposed Budget

**CITY OF LOCKHART
PROPOSED BUDGET
FISCAL YEAR 2025-26**

	FYE 2023 ACTUAL	FYE 2024 ACTUAL	FYE 2025 AMENDED BUDGET	FYE 2025 PROPOSED BUDGET
REVENUE SUMMARY				
GENERAL FUND	15,428,638	16,955,018	16,036,006	17,072,870
DEBT SERVICE FUND	2,065,283	2,148,775	1,899,172	2,735,537
ELECTRIC FUND	15,378,479	12,694,915	14,107,185	14,388,100
WATER FUND	6,863,082	5,415,315	8,815,987	8,304,087
WASTEWATER FUND	5,389,513	3,413,275	3,390,060	3,566,500
SOLID WASTE FUND	2,014,232	2,178,773	220,485	2,283,014
AIRPORT FUND	122,326	148,913	179,550	197,500
LOCKHART ECO DEV FUND	1,817,686	1,879,462	1,234,140	1,969,335
TOTAL - REVENUES	49,079,239	44,834,446	45,882,585	50,496,943

					DELTA
EXPENSE SUMMARY					
GENERAL FUND	14,098,675	14,799,327	15,966,212	17,048,792	24,078
DEBT SERVICE FUND	1,662,332	373,963	1,659,937	2,600,524	135,013
ELECTRIC FUND	13,278,900	13,516,137	14,066,017	14,363,750	24,350
WATER FUND	6,682,619	7,221,586	8,759,361	7,966,886	337,201
WASTEWATER FUND	2,887,784	3,026,829	3,360,153	3,527,458	39,042
SOLID WASTE FUND	2,119,224	2,222,378	2,210,620	2,255,497	27,517
AIRPORT FUND	283,618	86,344	116,666	117,390	80,110
LOCKHART ECO DEV FUND	752,469	299,416	1,171,498	1,499,113	470,222
TOTAL - EXPENSES	41,765,621	41,545,980	47,310,464	49,359,410	

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding setting the 2025 combined maintenance and operations and interest and sinking proposed property tax rate of the City of Lockhart.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Michna

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: 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 2, 2025, 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 2025 Voter Approval Rate (VAR), as prepared by the CAD, is 0.5541/\$100 assessed valuation. This rate includes the unused increment rate.

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:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: It is staff's recommendation that the City Council set a tax rate for 2025; record the vote; schedule a public hearing on September 2, 2025 and announce the date, time, and location of the public hearing.

LIST OF SUPPORTING DOCUMENTS: City of Lockhart 2025 Tax Rate Calculations

**2025 NO-NEW-REVENUE AND VOTER-APPROVAL TAX RATE
INFORMATION**

CITY OF LOCKHART

	TOTAL
2024 TAX RATE	0.5093/\$100
2025 NO-NEW-REVENUE TAX RATE	0.4954/\$100
2025 VOTER-APPROVAL TAX RATE	0.5541/\$100
2025 UNUSED INCREMENT RATE	0.0000/\$100
2025 VOTER-APPROVAL RATE ADJUSTED FOR UNUSED INCREMENT RATE	0.5541/\$100
2025 DE MINIMUS TAX RATE	0.5708/\$100

SUBMITTED TO CITY OF LOCKHART THE 20th DAY OF July 2025.


SHANNA RAMZINSKI
CHIEF APPRAISER
CALDWELL COUNTY APPRAISAL DISTRICT

Received and Approval from Taxing Entity

Date

2025 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Lockhart

Taxing Unit Name

(512) 398-3641

Phone (area code and number)

PO Box 239, Lockhart, 78644

Taxing Unit's Address, City, State, ZIP Code

www.lockhart-tx.org

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 1,687,057,330
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 256,382,513
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 1,430,674,817
4.	Prior year total adopted tax rate.	\$ 0.5093 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values:..... \$ 5,189,462 B. Prior year values resulting from final court decisions:..... - \$ 4,824,358 C. Prior year value loss. Subtract B from A. ³	\$ 365,104
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value:..... \$ 8,411,025 B. Prior year disputed value:..... - \$ 8,046,208 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 364,817
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 729,921

¹ Tex. Tax Code §26.012(14)² Tex. Tax Code §26.012(14)³ Tex. Tax Code §26.012(13)⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 1,431,404,738
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2024. Enter the prior year value of property in deannexed territory. ⁵	\$ 415,050
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 1,676,334 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 3,895,953 C. Value loss. Add A and B. ⁶	\$ 5,572,287
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 318,559 B. Current year productivity or special appraised value: - \$ 9,140 C. Value loss. Subtract B from A. ⁷	\$ 309,419
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 6,296,756
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 0
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 1,425,107,982
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 7,258,074
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 733
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 7,258,807
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 1,814,152,467 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ 0 C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 0 E. Total current year value. Add A and B, then subtract C and D.	\$ 1,814,152,467

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
A.	Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴	\$ 95,119,981
B.	Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵	+ \$ 0
C.	Total value under protest or not certified. Add A and B.	\$ 95,119,981
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 276,543,241
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 1,632,729,207
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 167,690,124
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 167,690,124
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 1,465,039,083
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.4954 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ 0.0000 /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.4067 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,431,404,738

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §26.012(6)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100	\$ 5,821,523
31.	Adjusted prior year levy for calculating NNR M&O rate.	
	A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2024. This line applies only to tax years preceding the prior tax year..... + \$ 567	
	B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ 0	
	C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0	
	D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ 567	
	E. Add Line 30 to 31D.	\$ 5,822,090
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,465,039,083
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.3974 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³	
	A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0	
	B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies. - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.0000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴	
	A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose. \$ 0	
	B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state assistance received for the same purpose..... - \$ 0	
	C. Subtract B from A and divide by Line 32 and multiply by \$100. \$ 0.0000 /\$100	
	D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100

²³ [Reserved for expansion]²³ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵	
A.	Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose.	\$ 0
B.	Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2023 and ending on June 30, 2024, less any state grants received by the county for the same purpose.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Multiply B by 0.05 and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
E.	Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.0000 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶	
A.	Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year.	\$ 0
B.	Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Multiply B by 0.08 and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
E.	Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.0000 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information.	
A.	Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year.	\$ 0
B.	Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year.	\$ 0
C.	Subtract B from A and divide by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
D.	Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.0000 /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.3974 /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero.	
A.	Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent.	\$ 0
B.	Divide Line 40A by Line 32 and multiply by \$100.	\$ 0.0000 /\$100
C.	Add Line 40B to Line 39.	\$ 0.3974 /\$100
41.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.4113 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred, or 2) the third tax year after the tax year in which the disaster occurred If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ _____ /\$100
42.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes, (2) are secured by property taxes, (3) are scheduled for payment over a period longer than one year, and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 2,599,780 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 0 E. Adjusted debt. Subtract B, C and D from A.	\$ 2,599,780
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 220,222
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 2,379,558
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 102.00 % B. Enter the prior year actual collection rate 99.00 % C. Enter the 2023 actual collection rate 100.00 % D. Enter the 2022 actual collection rate 99.00 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹	102.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 2,332,900
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,632,729,207
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.1428 /\$100
49.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 41 and 48.	\$ 0.5541 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ _____ /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.0000 /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ _____
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ _____
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ _____ /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ _____ /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ _____ /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ _____ /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ _____
60.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ _____ /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ _____ /\$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value. ³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value. ⁴⁰

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042; ⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a); ⁴² or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval. ⁴³

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit. ⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2024 unused increment rate and 2024 actual tax rate from the 2024 voter-approval tax rate. Multiply the result by the 2024 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.0000 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0000 /\$100
	C. Subtract B from A.....	\$ 0.0000 /\$100
	D. Adopted Tax Rate.....	\$ 0.5093 /\$100
	E. Subtract D from C.....	\$ -0.5093 /\$100
	F. 2024 Total Taxable Value (Line 60).....	\$ 1,445,982,735
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
64.	Year 2 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.5348 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0000 /\$100
	C. Subtract B from A.....	\$ 0.5348 /\$100
	D. Adopted Tax Rate.....	\$ 0.5348 /\$100
	E. Subtract D from C.....	\$ 0.0000 /\$100
	F. 2023 Total Taxable Value (Line 60).....	\$ 1,217,792,799
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value	
	A. Voter-approval tax rate (Line 67).....	\$ 0.6007 /\$100
	B. Unused increment rate (Line 66).....	\$ 0.0228 /\$100
	C. Subtract B from A.....	\$ 0.5779 /\$100
	D. Adopted Tax Rate.....	\$ 0.6006 /\$100
	E. Subtract D from C.....	\$ -0.0227 /\$100
	F. 2022 Total Taxable Value (Line 60).....	\$ 1,039,759,915
	G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	\$ 0
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 0.0000
67.	2025 Unused Increment Rate. Divide Line 66 by Line 21 of the No-New-Revenue Rate Worksheet. Multiply the result by 100	\$ 0.0000 /\$100
68.	Total 2025 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.5541 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §26.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §26.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §120.007(d)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	0.3974
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,632,729,207
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.0306 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.1428 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.5708 /\$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁹

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	2024 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____ /\$100
75.	Adjusted 2024 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2024 and the taxing unit calculated its 2024 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2024 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2024 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2024, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2024 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁵⁰ Enter the final adjusted 2024 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2024 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ _____ /\$100
76.	Increase in 2024 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ _____ /\$100
77.	Adjusted 2024 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$ _____
79.	Adjusted 2024 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁵¹	\$ _____ /\$100

⁴⁴ Tex. Tax Code §26.04(c)(2)(B)

⁴⁵ Tex. Tax Code §26.012(8-a)

⁴⁶ Tex. Tax Code §26.063(a)(1)

⁴⁷ Tex. Tax Code §26.042(b)

⁴⁸ Tex. Tax Code §26.042(f)

⁴⁹ Tex. Tax Code §26.42(c)

⁵¹ Tex. Tax Code §26.42(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ _____ /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.4954 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.5541 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: 68

De minimis rate. \$ 0.5708 /\$100

If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵²

**print
here**

Vicki Schneider

Printed Name of Taxing Unit Representative

**sign
here**

Vicki Schneider

Taxing Unit Representative

7/29/2025

Date

⁵² Tex. Tax Code §§26.04(c-2) and (d-2)

Date submitted: 07/29/2025

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding First Addendum to Professional Services Agreement of Municipal Court Presiding Judge regarding a salary adjustment.

ORIGINATING DEPARTMENT AND CONTACT: Council - Mayor Lew White

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: Pursuant to City Charter, Section 4.04, the City Council appoints the Presiding Judge. On September 20, 2022, City Council appointed Robert A. Haedge to serve as the Presiding Judge and authorized a professional services agreement detailing the terms and expectations of the appointment.

According to the professional services agreement, the Judge shall hold office for a two-year term, unless terminated earlier as provided in the Agreement. The Judge shall perform all duties and responsibilities of the Office of the Municipal Court Presiding Judge of the City. These duties and obligations include those contained under the City's Charter and Code of Ordinances, Texas Criminal Code, Texas Local Government Code, and other pertinent State and Federal Statutes, and Regulations. Municipal Court is often thought of as traffic court, but it has a broad range of authority that contributes to the missions of other City departments, including Code Enforcement, Police Department, and Planning Department. The Judge shall be on call to perform such obligations after hours.

The Agreement commenced on October 1, 2022 and expired on September 30, 2024. The Agreement automatically renews if the Council does not take action within 91 days following the expiration of the two-year period.

On July 1, 2025, City Council conducted an evaluation of Judge Haedge and considered the professional services agreement. As a result, an addendum to the professional services agreement is being proposed to adjust the compensation terms of Judge Haedge.

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION: September 20, 2022: Council authorized appointment and professional services agreement with Judge Haedge.

July 1, 2025: Council conducted an evaluation of Judge Haedge and considered the professional services agreement

COMMITTEE/BOARD/COMMISSION ACTION: N/A

City of Lockhart, Texas

Council Agenda Item Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION: Discretion of the Council.

LIST OF SUPPORTING DOCUMENTS: First Addendum to Municipal Court Judge Professional Services Agreement - 2025, Municipal Court Judge Professional Services Agreement - 2022

**FIRST ADDENDUM TO
“CITY OF LOCKHART, TEXAS PROFESSIONAL SERVICES AGREEMENT
MUNICIPAL COURT PRESIDING JUDGE”
BETWEEN ROBERT HAEDGE AND THE CITY OF LOCKHART**

WHEREAS, by “City of Lockhart, Texas Professional Services Agreement Municipal Court Presiding Judge” (“the Agreement”) effective September 20, 2022, the City Council of the City of Lockhart hired and appointed Robert Haedge (“the Judge”) as Presiding Judge of the Municipal Court; and

WHEREAS, the City Council has reviewed the Judge’s work performance and is of the opinion that his salary should be adjusted and an Addendum to the Agreement be executed by the parties.

Agreement and Amendment

For and in consideration of the mutual covenants contained herein and other good and valuable consideration, the Agreement, Section “Compensation” shall be amended to read as follows:

COMPENSATION

The Judge shall be deemed an appointed official as well as a part-time contracted employee of the City.

Effective October 1, 2024, the City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of three thousand one hundred twenty-five dollars and twenty cents (\$3,125.20) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities.

Effective October 1, 2025, the City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of three thousand three hundred forty-three dollars and ninety-nine cents (\$3,343.99) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities.

However, the Judge will not be eligible for benefits offered by the City including health benefits, participation in the City’s retirement plan, educational reimbursement, travel expenses and professional fees/taxes, and memberships, unless otherwise specified by this Agreement. The Judge shall furnish such surety bond if required by the City Council, the premium to be paid by the City.

Additional salary adjustments following the October 1, 2025 increase may be considered upon mutual agreement of both parties.

Except as amended by this Addendum, all other terms, provisions, obligations, and responsibilities of the parties contained in the Agreement shall remain in full force and effect.

ADOPTED and effective on this the 5th day of August 2025.

CITY OF LOCKHART

Lew White, Mayor

ATTEST:

APPROVED AS TO FORM:

Julie Bowermon, City Secretary

Brad Bullock, City Attorney

Acceptance and Agreement by Robert Haedge on August ____, 2025.

Robert Haedge, Judge

**CITY OF LOCKHART, TEXAS
PROFESSIONAL SERVICES AGREEMENT
MUNICIPAL COURT PRESIDING JUDGE**

This employment agreement for judicial services is made by and between the City of Lockhart, Texas ("City") and Robert Haedge ("Judge") effective the 1st day of October 2022 (the "effective date") upon the following terms and conditions:

In consideration of the covenants herein contained, the City hereby hires and appoints the Judge as the Presiding Judge of the Municipal Court and the Judge agrees to perform the full duties and responsibilities as the Presiding Judge for the Municipal Court for the City as discussed herein. The Judge shall have all the powers and authority prescribed by the laws of the state for municipal court judges and shall perform the duties as prescribed by the laws of the state.

APPOINTMENT AND TERM

The Presiding Judge of the Municipal Court shall be filled by appointment by the City Council pursuant to Section 4.04 of the City's Charter. The Judge shall hold office for a two-year term, unless terminated earlier as provided in this Agreement, and until the successor to office has been appointed, qualified, and has assumed office.

For purposes of this agreement, the Judge shall take office once it has been executed by both parties and the Judge takes the oath of office. Thereafter, the Judge shall serve a two-year term that shall commence on the effective date of this Agreement, and which shall expire at midnight on September 30, 2024, unless sooner terminated or extended as provided herein.

A judge who is not reappointed by the 91st day following the expiration of a term of office shall, absent action by the appointing authority terminating such appointment, continue to serve under the same terms and conditions contained in this Agreement, which shall be extended for another term of office beginning on the date the previous term of office expired.

The City reserves the right to appoint an associate judge or temporary replacement, as necessary.

TERMINATION

The City Council may terminate the Judge and this Agreement, in the manner provided by law, at a time before expiration of the initial or extended term for incompetence, corruption, misconduct, or malfeasance in office, such termination. The Judge may terminate this Agreement at any time for any reason following thirty (30) days' notice to the City.

DEFAULT/RIGHT TO CURE

If either party hereto shall default in its performance of any term, covenant, or condition of this Agreement for twenty (20) days after notice of such default, or where such default cannot reasonably be cured within said twenty (20) days, then if the defaulting party does not promptly cure such default, then the other party may terminate this Agreement by thirty (30) days' notice to the other.

HOURS OF WORK

It is recognized that the Judge is expected to engage in the hours of work that are necessary to fulfill the obligations of the position unless prevented from doing so by events or circumstances beyond the control of either party, such as pandemic, severe weather, local or statewide states of disaster, or other "force majeure" events. It is agreed that the Judge will devote a sufficient number of hours on a weekly, monthly, and annual basis to address and accomplish all duties of a municipal court judge under this agreement and all applicable laws and regulations under state law.

DUTIES

The Judge shall perform all duties and responsibilities of the Office of the Municipal Court Judge of the City. These duties and obligations include those contained under the City's Charter and Code of Ordinance, Texas Criminal Code, Texas Local Government Code, Texas Government Code and other pertinent and applicable State and Federal Statutes, and Regulations. The Judge shall be on call to perform such obligations after hours. As the Presiding Judge, the Judge shall be responsible for the judicial supervision and management of the Court. The Municipal Court Manager and court staff, while coordinating daily functions of the court with the Judge, are considered to be municipal employees under the supervisions of the Municipal Court Manager and City Manager.

The Judge shall at all times faithfully and to the best of his ability, administer activities of the Municipal Court, assign and hear all cases and fulfill obligations of the Municipal Court as established by State or local law, rule, statute, regulation and City ordinance. The Judge's duties as Presiding Judge shall include meeting with the City Attorney, Prosecutor, City

Manager, the Chief of Police or such officials' respective designees, and all other personnel as needed to discuss procedures within the Municipal Court as well as establishing and presiding over a court security committee in compliance with Texas Government Code Section 29.014, as amended. The Judge's duties shall also include, but are not limited to:

- (1) conducting court sessions;
- (2) handling all court dockets;
- (3) reasonably responding to requests from 'the City's police department for arrest warrants and search warrants after normal business hours/days which shall be performed by the Judge; and
- (4) responding to all questions from court staff in a professional, efficient, courteous, and timely manner.

PROFESSIONAL LICENSE AND JUDICIAL TRAINING

The Judge shall attend and complete the accredited judicial training, in-person education program(s), and continuing judicial education required by the Rules of Judicial Education and the Texas Municipal Courts Education Center, and shall present proof of such attendance and completion to the City annually.

The Judge shall be required to maintain his license to practice law with the State Bar of Texas in good standing as a requirement for this position, The Judge will be responsible for his own educational expenses, occupation taxes, bar and membership dues, and continuing education expenses for maintaining his license.

The City shall reimburse the Judge for the costs of all certification and licensing training that is required by the State of Texas, plus actual reasonable expenses for travel, meals, and lodging if any not covered by the training event sponsor. In the event the Judge attends such certification and licensing training on behalf of more than one employer, the Judge will notify the City of that fact and the City's obligation to reimburse costs and expenses shall be limited to a pro rata portion of the total.

OUTSIDE EMPLOYMENT/BUSINESS DEALINGS

It is understood and agreed that this position is as an appointed official of the City. However, the Judge will be allowed to hold outside employment or engage in business dealings that do not result in a conflict of interest, do not interfere with the duties and obligations required by this position and that do not interfere in the hours of work that are necessary to fulfill the obligations of the position. The Judge must give the City notice in writing of his outside

employment and/or business dealings upon the beginning of the term of this Agreement and immediately upon any change in his outside employment and/or business dealings.

COMPENSATION

The Judge shall be deemed an appointed official as well as a part-time contracted employee of the City. The City, for and in consideration of the services provided by the Judge shall hereby agree to pay the Judge a monthly salary of two thousand seven hundred dollars (\$2700.00) payable at the same time as other employees of the City are paid, on the schedule as other City employees and shall be paid net of any applicable withholdings or deductions required by applicable laws and authorities. However, the Judge will not be eligible for benefits offered by the City including health benefits, participation in the City's retirement plan, educational reimbursement, travel expenses and professional fees/taxes, and memberships, unless otherwise specified by this Agreement. The Judge shall furnish such surety bond if required by the City Council, the premium to be paid by the City.

TMLINSURANCE

The City shall ensure that Judge is included in coverage for liability and all errors and omissions while in the performance of his duties as Municipal Judge for the City.

SEVERABILITY

In case any part or provision contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable by a Court in any respect, such invalidity, illegality, or unenforceability shall not destroy this Agreement, and this Agreement shall be construed and enforced as if the offending part or provision were not a part of this Agreement.

TEXAS LAW TO APPLY

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Caldwell County, Texas, Venue shall lie in Caldwell County, Texas.

ENTIRE AGREEMENT

All oral or written statements, representations, promises, understandings, and agreements of the parties hereto are superseded by and merged into this Agreement, which alone fully and completely expresses their agreement. This Agreement contains all of the terms agreed upon between the parties with respect to the subject matter hereof.

This Agreement may not be altered, amended, changed, waived, terminated, or modified in any respect or particular unless the same shall be

in writing signed by each of the parties hereto, the Judge and at the direction of City Manager. No waiver by any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

Executed on this, the 20th day of September, ²⁰²²~~2020~~.

JUDGE:

Robert C. Haedge

Robert Haedge

CITY OF LOCKHART:

Lew White

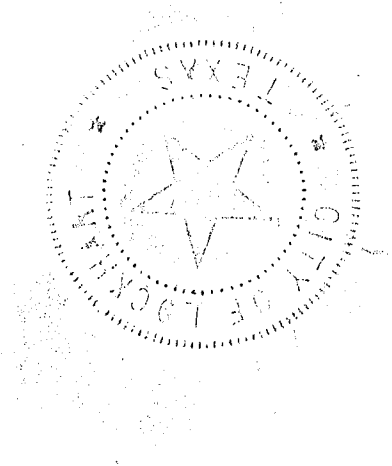
Lew White, Mayor

Attest:

Connie Constanicio

Connie Constanicio

City Secretary



City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding Second Lease Agreement Extension with H.L. Baker and Mark Needham for a City-owned Hangar at the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION: The original ground lease for the construction of the hangar began on July 1, 1995, with the Lessee name changed to H.L. Baker on June 9, 2001, where the Lessee assumed the 20-year ground lease until July 1, 2020. On September 19, 2018, Mr. Baker and the City agreed to extend the lease for the first lease extension through July 1, 2025 and beginning on July 2, 2020 the city obtained ownership of the structure, which changed the ground lease into a building lease for the hangar.

Mr. Baker has a long-standing reputation at the airport for use of the leased hangar for uses that benefit the community and expressed his wishes to extend the contract for an additional five years, with the following additional negotiated terms:

- The second lease term shall begin on August 5, 2025 to August 31, 2030
- Agreed to add an additional Lessee, Mark Needham, to the lease extension
- Increase the rent fee amount from \$150/month with an annual payment of \$576 to a monthly payment of \$1,000
- Continued support of the aviation community and Monthly Breakfast Club

The lessees also agrees to maintain required insurance, cover utility costs for the hangar, along with maintenance of the building, and follow all other terms and covenants in the lease agreement.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of the lease extension until August 31, 2030.

LIST OF SUPPORTING DOCUMENTS: Hangar Location Map, 2025 Baker Needham Hangar Lease Renewal, Exhibit A, Exhibit B, Exhibit C

Hangar Lease Location

209 Airport Drive



Hangar Location

S Colorado St

Airport Dr

Airport Dr

Airport Dr

Airport Dr

SECOND LEASE AGREEMENT EXTENSION
Hangar located at City of Lockhart Airport

THIS SECOND LEASE EXTENSION AGREEMENT ("Second Extension") is made by and between H.L. Baker, an individual, and Mark Needham, an individual, herein referred to as the Lessee or Lessees, and the City of Lockhart ("City"), a Texas Municipal Corporation, herein referred to as the Lessor.

1. An original lease was executed on or about July 1, 1995, with Lessee name change on June 9, 2001, by and between City and H. L. Baker under which the property ("Leased Premises") described therein was leased to H.L. Baker for the term in place of twenty (20) years until July, 1, 2020, a copy of which is attached as **Exhibit A**. Exhibit A is hereafter referred to as the "Lease."

2. On September 19, 2018, H.L. Baker and the City agreed to extend the Lease through July 1, 2025, subject to certain additions to the Lease (the "First Lease Extension") and beginning July 2, 2020 the City of Lockhart obtained ownership of the structure on the leased property. A copy of the First Lease Extension is attached as **Exhibit B**.

3. H.L. Baker wishes to extend the lease for an additional five (5) years. The City and H.L. Baker agree to add an additional Lessee, Mark Needham to the Second Extension. The City, H. L. Baker, and Mark Needham agree to such extension with the following additions to the Lease:

- a) The Second Extension shall begin on August 5, 2025, and end on August 31, 2030.
- b) Lessee is responsible for all utility payments and maintenance of the Leased Premises.
- c) Lessee shall immediately purchase, at his sole expense, and maintain an insurance policy for the value of the structure on the Leased Premises, naming the City as an additional insured, for the life of this Second Extension, and will provide a copy of the insurance policy to the City.
- d) The Leased Premises shall comprise a City-owned building covering 3,200 square feet, which is more particularly described in **Exhibit C**. Lessee acknowledges that the Leased Premises are owned by the City.
- e) For the term of the Second Extension, Lessee agrees to pay rent in the amount of \$1,000 to the City for the Leased Premises on or before the first of each month.

4. The Lockhart City Council finds that this extension of the Lease serves a public purpose by providing for productive use of the Leased Premises that benefits the community, including continued support of the aviation community and Breakfast Club, both located at the Lockhart Municipal Airport.

5. Lessee agrees to fulfill all the terms and covenants of the Lease and this renewal, including making all payments due to or payable on behalf of the City when due and payable.

(SIGNATURES ON NEXT PAGE)

Lessee:

H.L. Baker

H.L. Baker
2504 Mitchell Lane
Austin, Texas 78748

7/30/25
Date

Lessee:

Mark Needham

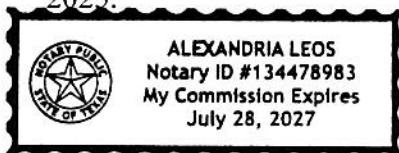
Mark Needham
2601 Berkley Avenue
Austin, Texas 78745
PO Box 623
Lockhart, Texas 78644-0623

7/30/2025
Date

STATE OF TEXAS §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **H.L. Baker**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 30th day of July, 2025.

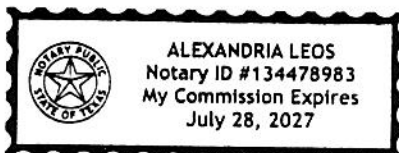


Alexandria Leos
Notary Public

STATE OF TEXAS §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **Mark Needham**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 30th day of July, 2025.



Alexandria Leos
Notary Public

City of Lockhart, Texas:

Lew White
Mayor

Attest:

Julie Bowerman
City Secretary

Original
as/11/7/95 Addendum

GROUND LEASE AGREEMENT

This Ground Lease Agreement made and entered into this the 1st day of July, 1995, by and between the **CITY OF LOCKHART, TEXAS**, a Municipal Corporation existing by and under the authority of the laws of the State of Texas, hereinafter referred to as "Lessor", and **MANNAN THOMASON and ULYSSES J. BACKUS**, hereinafter known referred collectively to as "Lessee".

WITNESSETH:

WHEREAS, Lessor owns and operates, in the City of Lockhart, an Airport, and said Lessor is desirous of leasing to Lessee certain property hereinafter more fully described and located on said airport; and

WHEREAS, Lessee has indicated a willingness and ability to properly construct, keep, maintain and improve said property with standards approve by Lessor, and desires to lease said property from the City of Lockhart, Texas;

NOW THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, Lessor does hereby lease, demise, grant and let to Lessee, and Lessee does hereby hire, take and lease from Lessor, the following premises, rights and easements on and Airport property upon the following terms and conditions, to-wit:

ARTICLE ONE

Leased Premises

Lessor does hereby grant, demise and lease unto Lessee the following described tract of land at said Airport with respect to which Lessee is to have for the term of this lease the use of said tract described as follows:

See Exhibit "A" attached hereto and incorporated for all purposes by reference.

ARTICLE TWO

Buildings and Improvements

Lessee shall have the right to erect one (1) hangar upon the leased premises.

Lessee agrees to maintain in good condition, order and repair the structure and other improvements upon the demised premises..

Lessee agrees and understands the plans and specifications for any and all proposed improvements to the leasehold property shall receive the prior written approval of the Lessor, and shall conform to the City of Lockhart Airport Master Plan or as mutually agreed upon and with approval of Lessor, as well as meet all City of Lockhart Code requirements.

Lessor, acting through its building inspector and other inspectors shall have free access to the property covered hereby and to the improvements thereon for the purposes of determining that any construction conforms to the plans and specifications approved by Lessor, and to determine if the

building or the improvements are being maintained in accordance with the requirements of this Lease Agreement. It shall be Lessee's responsibility to take such actions as are necessary to insure that the construction of the hangar and any later required maintenance work is conducted without interference with other Lessees, the FAA, or any aviation activities which are the principal purpose of the airport. Any activity which interferes with or endangers aviation activity will be immediately discontinued when so mandated by the Lessor or the F.A.A.

ARTICLE THREE

Term of Lease

The term of this Lease shall be for a period of twenty-five (25) years, commencing on the date above first written, unless sooner terminated as hereinafter provided. This Lease shall be subject to review by the appropriate State Agency and the Federal Aviation Administration, as required, and acceptance by Lessor and Lessee of the terms of this Lease Agreement shall be provisional until such time as all appropriate agencies have approved this Agreement.

ARTICLE FOUR

Use of Property

Lessee agrees and understands that this Lease Agreement shall be for the limited purposes of the construction and use of a private hangar facility for placement of one or more general aviation aircraft. Lessee covenants and agrees that any hangar so constructed shall not be used for the

purpose of renting to the general public or other parties not subject to this Lease. It is intended by the parties and agreed to by Lessee that this Lease is for the limited purpose of the construction of a hangar for the placement of aircraft owned by Lessee or his invitees. So long as Lessee remains as the primary occupant of the hangar, the City will not object to allowing an invitee aircraft owner to share space for purposes of building or storing any aircraft or parts thereof and in Lessee charging a reasonable lease fee for that service, so long as that arrangement does not devolve into a sub-lease of the entire premises.

ARTICLE FIVE

Rental Charges

Lessee agrees to pay an annual rental for the use of the premises, rights and easements herein provided for as follows:

(a) **Ground Rent**

(1) Ground rent to be paid annually in the amount of \$0.03 per square foot per year on each square foot of land on the tract of land described in Exhibit "A" herein for a total annual rental of \$108.00, the first payment of which shall be due and payable contemporaneously with the signing of this Lease.

(2) The ground rent on the tract leased shall be subject to Article V, Section (b), "Adjustments to Rent."

(3) Should any governmental agency require for any reason any portion of the tract held by Lessee under this Lease, Lessee shall be entitled to reimbursement for the sums paid to Lessor for the area of property actually utilized by the governmental agency. Nothing herein shall entitle Lessee to reimbursement for any amount greater than the sum actually paid to Lessor on the property actually utilized by the governmental agency.

(b) Adjustments to Rent

As promptly as practicable after the end of the 5th year after the beginning date of this Lease and each 5th year thereafter, Lessor shall compute the percentage of change (increase or decrease), if any, in the cost of living during the time period between the beginning date of this Lease Agreement and the date of the 5th year anniversary and each 5th year anniversary thereafter during the term of this Lease, based upon the changes in the Consumer Price Index for Urban wage Earners and Clerical Workers - U.S. Average (1967=100) (hereinafter called "Consumer Price Index"), as determined by the United States Department of Labor, Bureau of Labor Statistics for "All Items". It is agreed that the Consumer Price Index Number at the commencement date of this lease is August 1, 1994 (herein called "Base Index Number"). If the Consumer Price Index Number for the month in which any such anniversary of the beginning date shall occur (each such number being herein called an "Anniversary Index Number") is higher or lower than the Base Index Number, then

such Anniversary Index Number shall be divided by the Base Index Number and from the quotient thereof shall be subtracted the integer one (1). The resulting number, multiplied by one hundred, shall be deemed to be the percentage of increase or decrease in the cost of living. Such percentage of change shall be multiplied by the Basic Rental, and the product thereof shall be added to, or subtracted from, the Basic Rental to determine the annual rental payable for the next five year period, commencing on the immediately preceding anniversary of the beginning date (such amount being herein sometimes called "Adjusted Basic Rental"). Such Adjusted Basic Rental shall be calculated in the above manner during the 5th year anniversary and each 5th year thereafter of the Lease Term. Lessor shall, within a reasonable time after obtaining the appropriate data necessary for computing any change in the annual rent, give Lessee notice of any change so determined. Lessee shall notify Lessor of any claimed error therein within thirty (30) days after receipt of such notice. If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept comparable statistics on the cost of living for the City of San Antonio, Texas, as they shall be computed and published by an agency of the United States, or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto. As an example, only, of the foregoing adjustment:

- a. Assume Basic Rental is per acre \$100.00 per year,
- b. Assume Basic Index Number is 200,
- c. Assume Anniversary Index Number on the anniversary date of the commencement date is 300,

then based upon the foregoing, the Annual Basic Rental shall be:

Anniversary Index Number 300 divided by Base Index Number 200 =
 $1.5 - 1 = .5 \times 100 = 50 = 50\%$
 $50\% \times 100 = 50.00$
 $50.00 + 100.00 = 150.00$ Adjusted Basic Rental.

All payments are to be made to the Office of the City Manager at P. O. Box 239, Lockhart, Texas 78644.

In the event of Lessee's failure to pay any installment of rental when due or any other fee when due, Lessor may declare the lease terminated, or may declare all unmatured rental due, and further will be entitled to judgment for court costs, reasonable attorneys' fees and interest on its unpaid rental and fees at the rate of TEN (10%) PERCENT per annum.

c. Late payments on rent. All rental payments shall be due on the anniversary date, of the year beginning the lease payment period. Payments not received by the 10th shall be deemed late, and there will be an automatic ten percent (10%) penalty assessed and collected by Lessor from Lessee in that event.

ARTICLE SIX

Insurance

Lessee shall maintain, at his own cost and expense fire insurance in an amount adequate to cover eighty percent (80%) of the cost of replacement of all fixtures in the demised premises in the event of fire, extended coverage, vandalism or malicious mischief and special extended coverage. Lessee agrees to carry Lessor as an additional insured party, and such insurance policy shall contain the endorsement that such insurance may not be canceled or amended with respect to Lessor, without thirty (30) days written notice by registered mail, to Lessor, by the insurance company; and that Lessee shall be solely responsible for the payment of premiums; and that Lessor shall not be required to pay any premiums for insurance; and in the event of payment of any loss covered by such policy, Lessor shall be paid first by the insurance company for its loss, and Lessee waives the right of subrogation against Lessor for any reason whatsoever. Any insurance policy herein required or procured by Lessee shall contain an express waiver of any right of subrogation by the insurance company against Lessor. The original policy of all such insurance shall be delivered by Lessee to Lessor, within ten (10) days of the inception of such policy by the insurance company. The minimum limits of any insurance coverage

required herein shall not limit Lessee's liability under the following paragraph.

If the leased premises or any structures or improvements on the leased premises should be damaged or destroyed by fire, tornado, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

If the leased premises should be totally destroyed by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, or if it should be so damaged by such a cause that rebuilding or repairs cannot be reasonably be completed within one hundred twenty (120) working days, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Lease, effective as of the date of written notification provided for hereinabove.

If the leased premises should be damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) working days, this lease shall not terminate, and it shall be the responsibility of Lessee to rebuild or repair said damage at Lessee's expense.

Monies received from insurance proceeds due to damage proceeds will be applied toward rebuilding improvements upon the premises. If the improvements cannot be rebuilt as above specified insurance proceeds shall be split between Lessee and Lessor upon a pro rata basis mutually agreed upon by the parties.

Lessee shall, at its own expense, require contractor liability insurance during the construction of all structures on the leased premises.

ARTICLE SEVEN

Non-Assignment

Lessee shall not, at any time during the term of this lease, or in any manner, either directly or indirectly, assign, sublease, hypothecate, or transfer this agreement or any interest therein without prior written consent of the Lessor. Lessor shall not unreasonably withhold consent under this provision.

Should a lending institution require first lien on Lessee's leasehold interest and require collateral assignment of said lease to the financial institution, Lessor agrees that this will not violative of the Lease Agreement. Any assignment, hypothecation, or pledge shall not be effective without the prior written consent of the City of Lockhart and such consent shall not be unreasonably withheld. Prior to such assignment, sublease, hypothecation or pledge of this lease as provided for in this paragraph, Lessee shall provide Lessor's City Manager with a copy of

said assignment, sublease, hypothecation or pledge and of any and all agreements collateral thereto. In the event that the City of Lockhart approves the proposed assignment, sublease, hypothecation or pledge a copy thereof shall be filed with the City Secretary of the City of Lockhart. It is specifically understood and agreed by the parties that any assignment of this lease or hypothecation thereof shall not create any type of lien upon the realty or create any further obligation upon Lessor as a result of such assignment or hypothecation thereof.

ARTICLE EIGHT

Indemnity

(a) Lessee shall indemnify Lessor and save it harmless from suits, actions, damages, liability, and legal defense expense in connection with the loss of life, bodily or personal injury or property damage arising from or out of any occurrence in or upon the demised premises, or occasioned wholly or in part by any act or omission of Lessee, his agents, contractors, employees, servants, invitees or licensees, in their use of the demised premises, the runways and taxiways, and any other area within the City of Lockhart Airport; and

*11-4-10:
CITY COUNCIL TAX
NOTICE OF CLERK
ERROR &
CORRECTION*

(b) ~~Lessee~~ ^{LESSOR} shall not be responsible or liable at any time for any loss or damage to Lessee's equipment, fixtures, machinery, airplane or airplane parts or any other personal property of Lessee; and

(c) Lessor shall not be responsible or liable to Lessee or to those claiming by, through or under Lessee, for any loss or damage to either the person or property of Lessee that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining premises; and

(d) Lessor shall not be responsible or liable for any defect, latent or otherwise, on any building in the airport area, or of any of the equipment, machinery, utilities, appliances or apparatus therein or thereupon, nor shall it be responsible or liable for any injury, loss or damage to any person or to any property of Lessee, or any other person caused by or resulting from any bursting, breakage, or by or from leakage, steam, snow or ice, running, backing up, seepage or the overflow of water or sewage in any part of said premises, or for any injury or damage caused by or resulting from any defects or negligence in the occupancy, construction, operation or use of any said buildings, equipment, machinery, utilities, appliances or apparatus by any person or by or from the acts of negligence of any occupant of the premises; and,

(e) Lessee shall give prompt notice to Lessor in case of fire or accidents in the demised premises.

ARTICLE EIGHT

General Construction Standards

In addition to all code requirements of the City of Lockhart and any other legal entity or sub-entity, the

following shall be the minimum construction standards for the construction of the hangar to be placed on property listed in Exhibit "A" and incorporated by reference:

(1) Hangar shall be of all metal materials to include all supports and exterior siding.

(2) Exterior metal siding shall be of minimum 29 gauge white painted and finished.

(3) All construction shall be on pier and beam with footings appropriate to support the structure. Interior flooring of the hangar so constructed shall be of a slab of sufficient depth (minimum of five inches thick) with steel and wire support to adequately hold the weight of an aircraft.

(4) All utilities, to include electrical service shall be brought underground to the structure at the sole expense of Lessee. The City of Lockhart hereby grants an easement for that purpose to Lessee.

(5) Foundation shall be with concrete footings under all uprights or columns.

(6) Hangar shall be of a gable or arched style of a design approved by the City.

ARTICLE NINE

General Rights and Duties of Parties

The parties hereto for themselves, their legal representatives, successors and assigns, further covenant and agree as follows:

(a) Lessee agrees to observe and obey during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor, and by any other property authority having jurisdiction over the conduct of operations at the airport.

(b) So long as Lessee comports himself in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

(c) With regard to permanent improvements either in place or to be placed upon the premises by Lessee, Lessee hereby agrees to the following provisions:

(i) Permanent improvements placed upon the premises by Lessee during the term of this lease shall revert to Lessor on termination of this Lease.

(ii) Lessee shall provide proof of timely payment on all notes on improvements at a minimum of once annually by providing all appropriate documents to the City Manager of the City of Lockhart.

(iii) All loans upon permanent improvements placed upon the premises by Lessee shall be paid in their entirety and any liens placed upon improvements as a result of those construction loans shall be released no later than five (5) years prior to the termination of this lease agreement.

(iv) No equity or other type of loan which results in additional lien or liens on existing improvements

shall be allowed without the expressed written consent of Lessor.

(d) Lessee agrees that no signs or advertising matter may be erected without the consent of Lessor.

(e) Lessor hereby designates the City Manager, City of Lockhart at its official representative with the full power to represent Lessor in all dealings with Lessee in connection with the premises herein leased. Lessor may designate by notice in writing, addressed to Lessee, other representatives from time to time and such notice shall have the same effect as if included in the terms of this agreement.

(f) Notice to Lessor as herein provided shall be sufficient if sent by registered mail, postage prepaid, to the City Manager, of the City of Lockhart, at 308 West San Antonio Street, Lockhart, Texas, and notice to Lessee in the same manner, shall likewise be sufficient if addressed to Lessee at 1131 Plum Street, Lockhart, Texas 78644, or such other addresses as may be designated by Lessor or Lessee in writing from time to time.

(g) Lessee shall keep the premises, as described hereinabove, clean and all grass areas within the leased premises properly mowed. He shall dispose of all debris and other waste matter which may accumulate on the leased premises at Lessee's expense, and shall provide metal containers with proper covers for waste within the building to be erected on said premises. Should Lessee fail to mow

grassy areas, or dispose of waste, trash or junked vehicles, Lessor shall have the right to do so, and Lessee shall be billed for this work. Lessee shall forthwith remit payment to Lessor, should this occur.

(h) Lessee shall pay all taxes and assessments against the buildings placed on the premises by the Lessee during the term of this agreement.

(i) Lessee hereby grants a lien to the Lessor upon all property belonging to Lessee in and on the premises as a possessory pledge to secure the timely performance by Lessee of all of its obligations hereunder, including the proper payment of rent. In the event of default by Lessee, Lessor is and shall be empowered and authorized to seize and hold all of the personal property belonging to Lessee on the premises to secure such performance, to sell same at public or private sale and to apply the proceeds thereof first to pay the expenses of the sale, and to pay all amounts due Lessor hereunder, holding the balance remaining, if any, subject to Lessee's order. A copy of this agreement shall be the only warrant necessary. Lessee hereby waives any and all exemptions of such property either now or to be later located upon the leased premises.

(j) Lessee agrees and covenants that in the event that any proceedings in bankruptcy or in solvency shall be instituted against Lessee, whether voluntary or involuntary, Lessor may, at its option, declare this lease forfeited and terminated, and upon such declaration Lessee

agrees to give and deliver immediate possession of the premises to Lessor.

(k) Lessee shall have the right of ingress to and egress from the demised premises, which right shall extend to Lessee's passengers, guests and invitees.

(l) Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance.

ARTICLE TEN

Abatement Due To Airport Closure

During any period when the Airport shall be closed by any lawful authority restricting the use of the Airport in such a manner as to interfere with the use of same by Lessee for its business operations, the rent shall abate and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

ARTICLE ELEVEN

Police Protection

Lessor does not guarantee police protection to Lessee and his property, and Lessor shall not be responsible for injury or harm to any person or for any property belonging to Lessee, his officers, agents, servants, employees, contractors, licensees or invitees which may be stolen, destroyed or in anyway damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents,

servants, and employees from and against any and all such claims.

ARTICLE TWELVE

Right of Entry By Lessor

Lessor reserves the right to enter and view the premises at any and all times for the purposes of making any inspection it may deem expedient to the property enforcement of any of the covenants or conditions of this agreement.

ARTICLE THIRTEEN

Aerial Approaches

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the leased property which, in the opinion of Lessor, would limit the usefulness of the airport or constitute a hazard to air navigation.

ARTICLE FOURTEEN

National Emergency

During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use; and, if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

ARTICLE FIFTEEN

Lease Subordinate

This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the State of Texas and/or the United States, relative to the operation or maintenance of the airport, the execution of which has been, or may be required, as a condition precedent to the expenditure of Federal funds for the development of the Airport.

ARTICLE SIXTEEN

General Provisions

(a) This Agreement embraces the entire agreement between the parties hereto and no statement, remark, agreement, or understanding, oral or written, not contained herein shall be recognized or enforced. This Agreement may be modified only by written addendum hereto signed by all of the parties.

(b) This Agreement shall be binding upon the successors, heirs, assigns, and legal representatives of the Lessor and Lessee.

(c) For the purpose of this Agreement, the singular number shall include the plural, and masculine shall include the feminine and vice versa, whenever the context so admits.

(d) The captions and headings in this Agreement are inserted solely for convenience of references, and are not a part of nor intended to govern, limit and/or aid in the construction of any provision hereof.

(e) Each of the parties heretofore been represented by the attorneys of their choice in the negotiation and drafting of this Agreement, and the same shall not be construed in favor of either party.

(f) This Contract shall be governed by the laws of the State of Texas and construed thereunder, and is performable in Caldwell County, Texas.

(g) If any section, paragraph, sentence or phrase hereof is held to be illegal or unenforceable by a Court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Contract.

(h) Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewer, commercial refuse pickup, and any and all other utilities used on the leased premises throughout the terms of this Lease, including any connection fees.

(i) The Lessee and its successor and assigns will complete a Federal Aviation Administration (FAA) Form 7460-1, "Notice of Proposed Construction of Alteration", and receive a favorable determination from FAA prior to any construction on the property, if deemed necessary by the FAA.

(j) The following events shall be deemed to be events of default by Lessee under this lease:

- (1) Lessee fails to pay any installment of rent under this lease and the failure continues for a period of thirty (30) days.
- (2) Lessee fails to comply with any term, provision, or covenant of this lease, other than payment of rent, and does not cure the failure within thirty (30) days after written notice of the failure to Lessee.
- (3) Lessee makes an assignment for the benefit of creditors.
- (4) Lessee deserts any substantial portion of the premises for a period of ninety (90) or more days.
- (5) The abandonment of the leased premises or discontinuance of Lessee's business operations. Should this occur, Lessor shall not be responsible for the custodial protection of merchandise, fixtures or equipment abandoned, even though it is necessary for Lessor to remove the same from the leased premises for storage or disposal.

Upon default by Lessee of any terms hereunder, Lessee shall surrender the premises upon demand by Lessor without notice, protest, or recourse.

(k) It is understood and agreed that by execution of this lease, the City of Lockhart does not waive or surrender its governmental powers.

ARTICLE SEVENTEEN

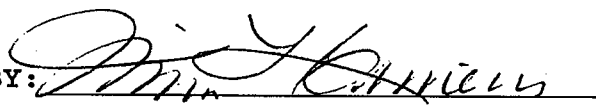
Reverter Clause

In the event that Lessee fails to complete construction upon the hangar facility within one hundred eighty (180) days from the date of the signing of this Lease Agreement, this Lease shall become nullity and of no force and effect. All property described in Exhibit "A" attached hereto shall be deemed to be automatically reverted to the City of Lockhart and Lessee shall have no right under this Lease Agreement to enter on to or remain upon the leased premises.

IN WITNESS WHEREOF, the parties have hereunto set their hands and signatures the day and year first above written.

LESSOR:

CITY OF LOCKHART

BY: 
M. LOUIS CISNEROS, MAYOR

ATTEST:

Gwendolyn L. Barrett
GWEN BARRETT, CITY SECRETARY

LESSEES:

Mannan J. Thomason
MANNAN J. THOMASON

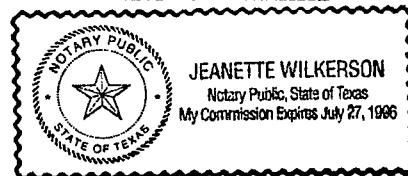
Ulysses J. Backus
ULYSSES J. BACKUS

THE STATE OF TEXAS *
*
COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared M. LOUIS CISNEROS, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 29 day of June, 1995.

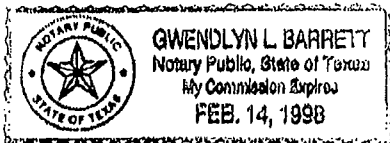
Jeanette Wilkerson
NOTARY PUBLIC - STATE OF TEXAS



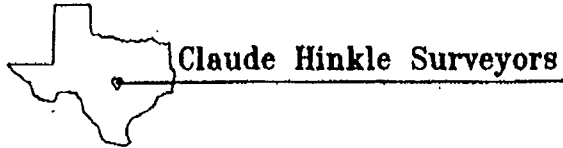
THE STATE OF TEXAS *
*
COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared MANNAN J. THOMASON and ULYSSES J. BACKUS, known to me to be the persons whose name are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 28 day of June, 1995.



Gwendlyn L. Barrett
NOTARY PUBLIC - STATE OF TEXAS



All of a certain tract or parcel of land situated in the City of Lockhart, Caldwell County, Texas and being a part of the Esther Berry Survey and being also a part of a tract of land called 248 acres and conveyed to the City of Lockhart by deed recorded in Volume 223 Page 3 of the Deed Records of Caldwell County, Texas and being more particularly described as follows:

BEGINNING at an iron pin set for the NE corner this tract and from which iron pin the SE corner of a 5.00 acre tract of land conveyed to Lockhart Airport Development Inc. by deed recorded in Volume 492 Page 540 of the said Deed Records bears N 43 degrees 28 minutes 06 seconds E 739.11 feet.

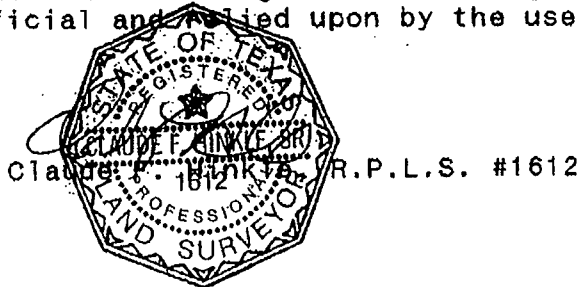
THENCE S 03 degrees 04 minutes 17 seconds W 45.00 feet to an iron pin set for the SE corner this tract.

THENCE N 86 degrees 55 minutes 43 seconds W 80.00 feet to an iron pin set for the SW corner this tract.

THENCE N 03 degrees 04 minutes 17 seconds E 45.00 feet to an iron pin set for the NW corner this tract.

THENCE S 86 degrees 55 minutes 43 seconds E 80.00 feet to the place of beginning containing 3600 square feet of land.

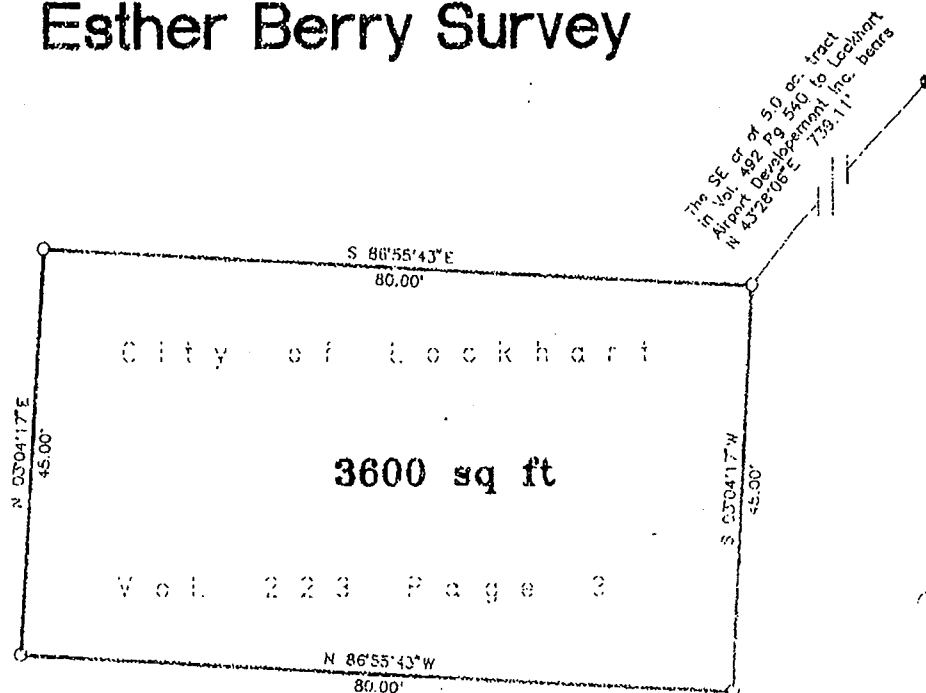
I hereby certify that the foregoing field notes are a true and correct description of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.



"EXHIBIT A"

Caldwell County, Texas

Esther Berry Survey



Lat: 29°51'07.4" N

248 a.c.

Long: 97°40'11.2" W

SURVEY PLAT

Showing a 3600 sq ft tract of land out of the Esther Berry Survey in the City of Lockhart, Caldwell County, Texas. I hereby certify that the foregoing plat is a true and correct representation of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.

Scale 1"=20'



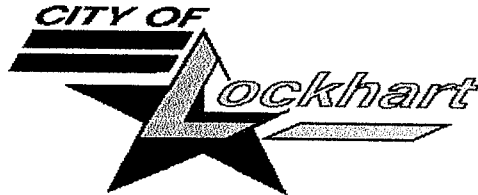
#1612

Field Book: d.c.	Drawn By: J.L.W.
Job No. 91494a	Drawing: 61995.dwg
Date: June 19, 1995	Word Disk: Begin 60195
Surveyed By: J.L.W. BMP CFH	Autocad Disk: Begin 60195



Claude Hinkle Surveyors

1409 South Main St.
P. O. Box 1027
Lockhart, Texas 78744



EXTENSION OF LEASE AGREEMENT

THIS AGREEMENT is made by and between H. L. Baker, an individual, herein referred to as the Lessee, and the City of Lockhart, a Texas Municipal Corporation, herein referred to as the Lessor.

1. On or about July 1, 1995, a real property lease was entered into between the Lessor and a lessee, which was amended on June 9, 2001 to remove the prior lessee and add the Lessee. The 1995 lease and 2001 amendment are hereafter referred to as the Lease. The Leased Premises includes a tract of land with a permanent structure. The term of the Lease is twenty (20) years, ending on July, 1, 2020. A copy of the Lease is attached as **Exhibit A**.
2. The Lessee wishes to extend the Lease to July 1, 2025. The Lessor agrees to the extension with the following additions, which are agreed to by the Lessee:
 - a) The Lease is extended from July 1, 2020 to July 1, 2025.
 - b) The Lessee is responsible for all utility payments and maintenance of the Leased Premises.
 - c) The Lessee immediately will purchase, at his sole expense, an insurance policy for the value of the structure on the Leased Premises, naming the Lessor as an additional insured, and will provide a copy of the insurance policy to the Lessor.
 - d) For the term of the Lease extension, the Lessee agrees to pay rent to the Lessor for the Leased Premises as follows:
 - On or before July 1 of each year: 18 cents per sq. ft. x 3,200 sq. ft., totaling \$576; and
 - On or before the first of each month: \$150.00.
3. The Lockhart City Council finds that this extension of the Lease serves a public purpose by provided for productive use of the Leased Premises that benefits the community.

4. The Lessee agrees to fulfill all the terms and covenants of the Lease and this renewal, including making all payments due to or payable on behalf of the City when due and payable.

Lessee:

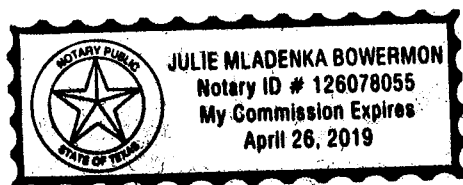
H. L. Baker
H. L. Baker
2504 Mitchell Lane
Austin, Texas 78748

19 Sept 18
Date

STATE OF TEXAS §
 §
COUNTY OF CALDWELL §

BEFORE ME, the undersigned authority, on this day personally appeared **H. L. Baker**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 19 day of SEPTEMBER, 2018.



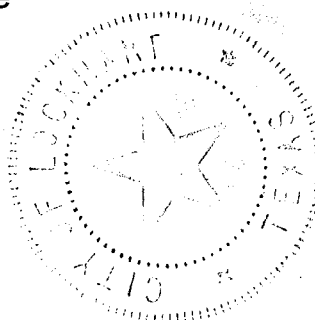
Julie Mladenka Bowermon
Notary Public

City of Lockhart, Texas:

Lew White
Lew White
Mayor

Attest:

Connie Constancio
Connie Constancio, TRMC
City Secretary





EXTENSION OF LEASE AGREEMENT

THIS AGREEMENT is made between H. L. Baker, an individual, herein referred to as the Lessee and City of Lockhart, a Municipal Corporation, herein referred to as the Lessor.

1. An original lease was executed on or about July 1, 1995, with Lessee name change on June 9, 2001, by and between The City of Lockhart, Texas (Lessor), a municipal corporation existing by and under the authority of the laws of the State of Texas, and H. L. Baker, ("Lessee:), an individual, as Tenant, under which the property described therein was leased to the Tenant for the term in place of twenty (20) years until July, 1, 2020, a copy of which is attached as **Exhibit A**. Exhibit A is hereafter referred to as the "Lease".
2. The Lessee wishes to amend the current Lease to extend the Lease Agreement until July 1, 2025, and the Lessor agrees with the extension with the provision that the Lessee agrees by his signature affixed hereto that the Lease is hereby amended as follows: include a new expiration date of July 1, 2025, beginning July 2, 2020, the Lessor owns the structure on the referenced Lease property and the Lessee continues throughout the extended lease period to be responsible for all utility payments, maintenance of the Lease structure/grounds, and will provide property insurance certificate covering the value of the Lease structure property naming the Lessor as an additional insured, and Lessee agrees to pay Lessor a ground lease of 18 cents for 3,200 square feet or \$576.00 per year plus \$150.00 per month for the building lease for each year past the original July 1, 2020, Lease expiration date.
3. In consideration of a public purpose, the Lessor assigns this Lease Renewal to the Lessee and the Lessee's heirs, executors, and administrators all right, title, and interest in and to the Lease with all conditions as stated in 2 herein above. The Lessee accepts the assignment and agrees to fulfill all the terms and covenants required by the Lessor as the Tenant under the Lease, including making all payments due to or payable on behalf of the Landlord when due and payable.

This agreement binds and inures to the benefit of the parties, their heirs, executors, administrators, successors in interest, and assigns.

Lessee:



H. L. Baker
2504 Mitchell Lane
Austin, Texas 78748


Date

Consent of Landlord

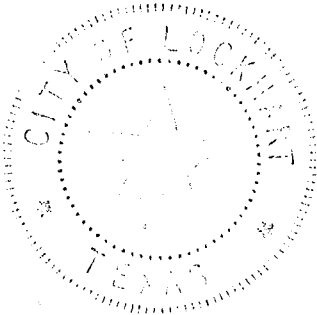
The Landlord defined in the above Lease Renewal Agreement, consents to renewal of the Lease to H. L. Baker with all conditions as stated herein and waves no right under the Lease with respect to the Tenant or the Lessee, pursuant to the action of the Lockhart City Council Meeting held on September 18, 2018.

City of Lockhart

By: Lew White
Lew White
Mayor

Attest:

Connie Constancio
Connie Constancio, TRMC
City Secretary



**ASSUMPTION and RELEASE
of the July 1, 1995 Airport Ground Lease
City of Lockhart Airport**

Date of this Addendum: November 4, 2010

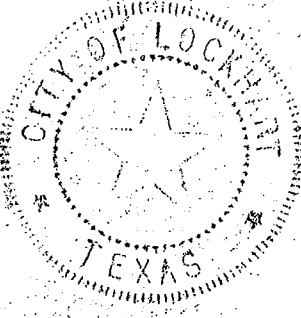
History

The original Ground Lease Lease (the "Lease") dated July 1, 1995, was made between the City of Lockhart, Texas (the "City") as lessor, and Mannan Thomason and Ulysses J. Backus as lessees, regarding the real property located at the City of Lockhart Airport and described in the Lease. The Lease was amended to remove Ulysses J. Backus as co-lessee and to add Donald E. Tillman as co-lessee on or about September 27, 1995. The Lease was again amended to remove Mannan Thomason as co-lessee and to add James M. Bruch as co-lessee on or about June 9, 2001. Donald E. Tillman and James M. Bruch (the "Lessees") now wish to be removed as lessees and to add H. L. Baker as sole lessee under the Lease.

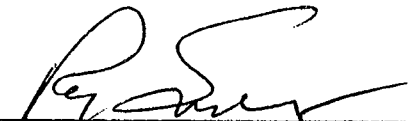
NOW, THEREFORE, the City, the Lessees and H. L. Baker agree as follows:

1. The City, the Lessees and H. L. Baker enter into this Assumption and Release to provide for H. L. Baker to assume the Lease as sole lessee. The Lease is attached hereto as **Exhibit A**. From and after the effective date hereof, Donald E. Tillman and James M. Bruch are released from all obligations under the Lease.
2. By signing this Assumption and Release, Lessees consent to be released from the Lease.
3. By signing this Assumption and Release, H. L. Baker accepts the leased premises "as is and with all Faults" and consents to assume and be bound by all of the terms of the Lease as sole lessee. After the effective date hereof, H. L. Baker shall be bound to perform all of the Lessee's obligations under the lease.
4. H. L. Baker acknowledges that the leased premises, described in the Lease, shall be used only for those purposes permitted by the Lease, and he further acknowledges that the term of the Lease ends on July 1, 2020, except as otherwise provided in the Lease.
5. This Assumption and Release must be approved in accordance with Article Seven, page 10, and Article Sixteen (a), page 19, of the Lease, at a regularly scheduled meeting of the Lockhart City Council, as evidenced by the signature of the Lockhart Mayor on this instrument.
6. This addendum shall be attached to and incorporated for all purposes in the Lease.
7. This Lease is effective upon its execution by each and every party hereto.

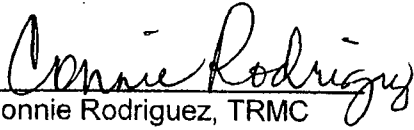
IN WITNESS THEREOF, the parties have set their hands and signatures as set forth below.



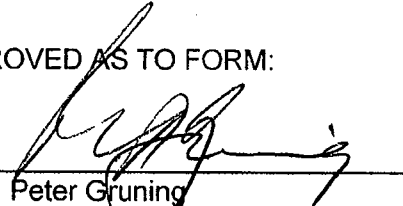
CITY OF LOCKHART:

By: 
Ray Sanders, Mayor

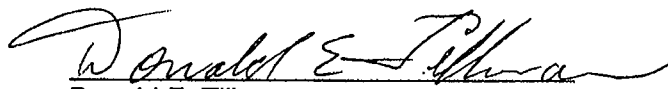
ATTEST:

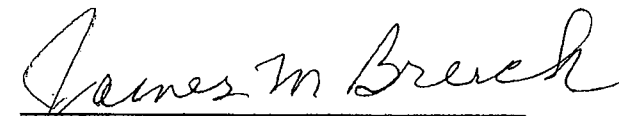

Connie Rodriguez, TRMC
City Secretary

APPROVED AS TO FORM:


Peter Gruning
City Attorney


H. L. Baker

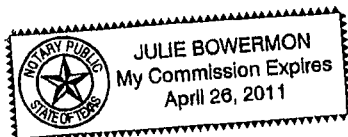

Donald E. Tillman

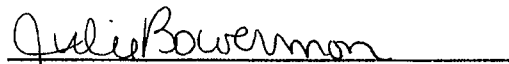

James M. Bruch

STATE OF TEXAS }
 }
COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared Ray Sanders, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 5th day of November, 2010.



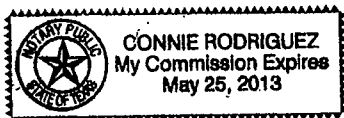

NOTARY PUBLIC - STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared H. L. Baker, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



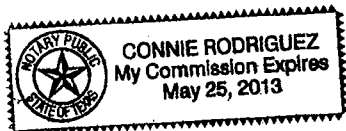
Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared Donald E. Tillman, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



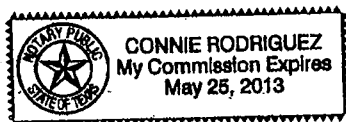
Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

STATE OF TEXAS }

COUNTY OF CALDWELL }

BEFORE ME, the undersigned authority, on this day personally appeared James M. Bruch, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 9th day of November, 2010.



Connie Rodriguez
NOTARY PUBLIC – STATE OF TEXAS

RECEIVED
CITY OF LOCKHART

MAR 19 2018

Mr. Vance Rogers
City Manager
Lockhart, Texas

RCVD. BY: _____
TIME RECVD: _____

MAR 19, 2018

Dear Mr. Rogers,

I am the lesee of land at the Lockhart Municipal Airport (45'X 80') that my hangar, #209, is situated on. This lease will expire on July 20, 2020 and the hangar becomes the property of the city of Lockhart. I respectfully request an extension of the lease for five years.

The reason for this request is as follows: There are several older aviators (over 65) who consider Hangar #209 home and they are nearing the end of long flying careers. Three keep airplanes in the hangar. All will terminate flying within the requested five year extension. The original termination date will create a hardship as they will still be flying but lose a meeting place and a home for their airplanes.

Your careful consideration of this request will be greatly appreciated.

Sincerely,

H. L. (Lew) Baker
H. L. Baker

512-282-1150

Exhibit A

Original
as/11/7/95 Addendum

GROUND LEASE AGREEMENT

This Ground Lease Agreement made and entered into this the 1st day of July, 1995, by and between the CITY OF LOCKHART, TEXAS, a Municipal Corporation existing by and under the authority of the laws of the State of Texas, hereinafter referred to as "Lessor", and MANNAN THOMASON and ULYSSES J. BACKUS, hereinafter known referred collectively to as "Lessee".

WITNESSETH:

WHEREAS, Lessor owns and operates, in the City of Lockhart, an Airport, and said Lessor is desirous of leasing to Lessee certain property hereinafter more fully described and located on said airport; and

WHEREAS, Lessee has indicated a willingness and ability to properly construct, keep, maintain and improve said property with standards approve by Lessor, and desires to lease said property from the City of Lockhart, Texas;

NOW THEREFORE, for and in consideration of the rents, covenants, and agreements herein contained, Lessor does hereby lease, demise, grant and let to Lessee, and Lessee does hereby hire, take and lease from Lessor, the following premises, rights and easements on and Airport property upon the following terms and conditions, to-wit:

ARTICLE ONE

Leased Premises

Lessor does hereby grant, demise and lease unto Lessee the following described tract of land at said Airport with respect to which Lessee is to have for the term of this lease the use of said tract described as follows:

See Exhibit "A" attached hereto and incorporated for all purposes by reference.

ARTICLE TWO

Buildings and Improvements

Lessee shall have the right to erect one (1) hangar upon the leased premises.

Lessee agrees to maintain in good condition, order and repair the structure and other improvements upon the demised premises..

Lessee agrees and understands the plans and specifications for any and all proposed improvements to the leasehold property shall receive the prior written approval of the Lessor, and shall conform to the City of Lockhart Airport Master Plan or as mutually agreed upon and with approval of Lessor, as well as meet all City of Lockhart Code requirements.

Lessor, acting through its building inspector and other inspectors shall have free access to the property covered hereby and to the improvements thereon for the purposes of determining that any construction conforms to the plans and specifications approved by Lessor, and to determine if the

building or the improvements are being maintained in accordance with the requirements of this Lease Agreement. It shall be Lessee's responsibility to take such actions as are necessary to insure that the construction of the hangar and any later required maintenance work is conducted without interference with other Lessees, the FAA, or any aviation activities which are the principal purpose of the airport. Any activity which interferes with or endangers aviation activity will be immediately discontinued when so mandated by the Lessor or the F.A.A.

ARTICLE THREE

Term of Lease

The term of this Lease shall be for a period of twenty-five (25) years, commencing on the date above first written, unless sooner terminated as hereinafter provided. This Lease shall be subject to review by the appropriate State Agency and the Federal Aviation Administration, as required, and acceptance by Lessor and Lessee of the terms of this Lease Agreement shall be provisional until such time as all appropriate agencies have approved this Agreement.

ARTICLE FOUR

Use of Property

Lessee agrees and understands that this Lease Agreement shall be for the limited purposes of the construction and use of a private hangar facility for placement of one or more general aviation aircraft. Lessee covenants and agrees that any hangar so constructed shall not be used for the

purpose of renting to the general public or other parties not subject to this Lease. It is intended by the parties and agreed to by Lessee that this Lease is for the limited purpose of the construction of a hangar for the placement of aircraft owned by Lessee or his invitees. So long as Lessee remains as the primary occupant of the hangar, the City will not object to allowing an invitee aircraft owner to share space for purposes of building or storing any aircraft or parts thereof and in Lessee charging a reasonable lease fee for that service, so long as that arrangement does not devolve into a sub-lease of the entire premises.

ARTICLE FIVE

Rental Charges

Lessee agrees to pay an annual rental for the use of the premises, rights and easements herein provided for as follows:

(a) **Ground Rent**

(1) Ground rent to be paid annually in the amount of \$0.03 per square foot per year on each square foot of land on the tract of land described in Exhibit "A" herein for a total annual rental of \$108.00, the first payment of which shall be due and payable contemporaneously with the signing of this Lease.

(2) The ground rent on the tract leased shall be subject to Article V, Section (b), "Adjustments to Rent."

(3) Should any governmental agency require for any reason any portion of the tract held by Lessee under this Lease, Lessee shall be entitled to reimbursement for the sums paid to Lessor for the area of property actually utilized by the governmental agency. Nothing herein shall entitle Lessee to reimbursement for any amount greater than the sum actually paid to Lessor on the property actually utilized by the governmental agency.

(b) Adjustments to Rent

As promptly as practicable after the end of the 5th year after the beginning date of this Lease and each 5th year thereafter, Lessor shall compute the percentage of change (increase or decrease), if any, in the cost of living during the time period between the beginning date of this Lease Agreement and the date of the 5th year anniversary and each 5th year anniversary thereafter during the term of this Lease, based upon the changes in the Consumer Price Index for Urban wage Earners and Clerical Workers - U.S. Average (1967=100) (hereinafter called "Consumer Price Index"), as determined by the United States Department of Labor, Bureau of Labor Statistics for "All Items". It is agreed that the Consumer Price Index Number at the commencement date of this lease is August 1, 1994 (herein called "Base Index Number"). If the Consumer Price Index Number for the month in which any such anniversary of the beginning date shall occur (each such number being herein called an "Anniversary Index Number") is higher or lower than the Base Index Number, then

such Anniversary Index Number shall be divided by the Base Index Number and from the quotient thereof shall be subtracted the integer one (1). The resulting number, multiplied by one hundred, shall be deemed to be the percentage of increase or decrease in the cost of living. Such percentage of change shall be multiplied by the Basic Rental, and the product thereof shall be added to, or subtracted from, the Basic Rental to determine the annual rental payable for the next five year period, commencing on the immediately preceding anniversary of the beginning date (such amount being herein sometimes called "Adjusted Basic Rental"). Such Adjusted Basic Rental shall be calculated in the above manner during the 5th year anniversary and each 5th year thereafter of the Lease Term. Lessor shall, within a reasonable time after obtaining the appropriate data necessary for computing any change in the annual rent, give Lessee notice of any change so determined. Lessee shall notify Lessor of any claimed error therein within thirty (30) days after receipt of such notice. If publication of the Consumer Price Index shall be discontinued, the parties hereto shall thereafter accept comparable statistics on the cost of living for the City of San Antonio, Texas, as they shall be computed and published by an agency of the United States, or by a responsible financial periodical of recognized authority, then to be selected by the parties hereto. As an example, only, of the foregoing adjustment:

- a. Assume Basic Rental is per acre \$100.00 per year,
- b. Assume Basic Index Number is 200,
- c. Assume Anniversary Index Number on the anniversary date of the commencement date is 300,

then based upon the foregoing, the Annual Basic Rental shall be:

Anniversary Index Number 300 divided by Base Index Number 200 =
 $1.5 - 1 = .5 \times 100 = 50 = 50\%$
 $50\% \times 100 = 50.00$
 $50.00 + 100.00 = 150.00$ Adjusted Basic Rental.

All payments are to be made to the Office of the City Manager at P. O. Box 239, Lockhart, Texas 78644.

In the event of Lessee's failure to pay any installment of rental when due or any other fee when due, Lessor may declare the lease terminated, or may declare all unmatured rental due, and further will be entitled to judgment for court costs, reasonable attorneys' fees and interest on its unpaid rental and fees at the rate of TEN (10%) PERCENT per annum.

c. Late payments on rent. All rental payments shall be due on the anniversary date, of the year beginning the lease payment period. Payments not received by the 10th shall be deemed late, and there will be an automatic ten percent (10%) penalty assessed and collected by Lessor from Lessee in that event.

ARTICLE SIX

Insurance

Lessee shall maintain, at his own cost and expense fire insurance in an amount adequate to cover eighty percent (80%) of the cost of replacement of all fixtures in the demised premises in the event of fire, extended coverage, vandalism or malicious mischief and special extended coverage. Lessee agrees to carry Lessor as an additional insured party, and such insurance policy shall contain the endorsement that such insurance may not be canceled or amended with respect to Lessor, without thirty (30) days written notice by registered mail, to Lessor, by the insurance company; and that Lessee shall be solely responsible for the payment of premiums; and that Lessor shall not be required to pay any premiums for insurance; and in the event of payment of any loss covered by such policy, Lessor shall be paid first by the insurance company for its loss, and Lessee waives the right of subrogation against Lessor for any reason whatsoever. Any insurance policy herein required or procured by Lessee shall contain an express waiver of any right of subrogation by the insurance company against Lessor. The original policy of all such insurance shall be delivered by Lessee to Lessor, within ten (10) days of the inception of such policy by the insurance company. The minimum limits of any insurance coverage

required herein shall not limit Lessee's liability under the following paragraph.

If the leased premises or any structures or improvements on the leased premises should be damaged or destroyed by fire, tornado, or other casualty, Lessee shall give immediate written notice of the damage or destruction to Lessor, including a description of the damage and, as far as known to Lessee, the cause of the damage.

If the leased premises should be totally destroyed by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, or if it should be so damaged by such a cause that rebuilding or repairs cannot be reasonably be completed within one hundred twenty (120) working days, this Lease shall terminate, and rent shall be abated for the unexpired portion of this Lease, effective as of the date of written notification provided for hereinabove.

If the leased premises should be damaged by fire, tornado, or other casualty not the fault of Lessee or any person in or about the leased premises with the express or implied consent of Lessee, but not to such an extent that rebuilding or repairs cannot reasonably be completed within one hundred twenty (120) working days, this lease shall not terminate, and it shall be the responsibility of Lessee to rebuild or repair said damage at Lessee's expense.

Monies received from insurance proceeds due to damage proceeds will be applied toward rebuilding improvements upon the premises. If the improvements cannot be rebuilt as above specified insurance proceeds shall be split between Lessee and Lessor upon a pro rata basis mutually agreed upon by the parties.

Lessee shall, at its own expense, require contractor liability insurance during the construction of all structures on the leased premises.

ARTICLE SEVEN

Non-Assignment

Lessee shall not, at any time during the term of this lease, or in any manner, either directly or indirectly, assign, sublease, hypothecate, or transfer this agreement or any interest therein without prior written consent of the Lessor. Lessor shall not unreasonably withhold consent under this provision.

Should a lending institution require first lien on Lessee's leasehold interest and require collateral assignment of said lease to the financial institution, Lessor agrees that this will not violative of the Lease Agreement. Any assignment, hypothecation, or pledge shall not be effective without the prior written consent of the City of Lockhart and such consent shall not be unreasonably withheld. Prior to such assignment, sublease, hypothecation or pledge of this lease as provided for in this paragraph, Lessee shall provide Lessor's City Manager with a copy of

said assignment, sublease, hypothecation or pledge and of any and all agreements collateral thereto. In the event that the City of Lockhart approves the proposed assignment, sublease, hypothecation or pledge a copy thereof shall be filed with the City Secretary of the City of Lockhart. It is specifically understood and agreed by the parties that any assignment of this lease or hypothecation thereof shall not create any type of lien upon the realty or create any further obligation upon Lessor as a result of such assignment or hypothecation thereof.

ARTICLE EIGHT

Indemnity

(a) Lessee shall indemnify Lessor and save it harmless from suits, actions, damages, liability, and legal defense expense in connection with the loss of life, bodily or personal injury or property damage arising from or out of any occurrence in or upon the demised premises, or occasioned wholly or in part by any act or omission of Lessee, his agents, contractors, employees, servants, invitees or licensees, in their use of the demised premises, the runways and taxiways, and any other area within the City of Lockhart Airport; and

*11-4-10:
CITY COUNCIL TAX
NOTICE OF CLERK
ERROR &
CORRECTION*

(b) ~~Lessee~~ ^{LESSOR} shall not be responsible or liable at any time for any loss or damage to Lessee's equipment, fixtures, machinery, airplane or airplane parts or any other personal property of Lessee; and

(c) Lessor shall not be responsible or liable to Lessee or to those claiming by, through or under Lessee, for any loss or damage to either the person or property of Lessee that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining premises; and

(d) Lessor shall not be responsible or liable for any defect, latent or otherwise, on any building in the airport area, or of any of the equipment, machinery, utilities, appliances or apparatus therein or thereupon, nor shall it be responsible or liable for any injury, loss or damage to any person or to any property of Lessee, or any other person caused by or resulting from any bursting, breakage, or by or from leakage, steam, snow or ice, running, backing up, seepage or the overflow of water or sewage in any part of said premises, or for any injury or damage caused by or resulting from any defects or negligence in the occupancy, construction, operation or use of any said buildings, equipment, machinery, utilities, appliances or apparatus by any person or by or from the acts of negligence of any occupant of the premises; and,

(e) Lessee shall give prompt notice to Lessor in case of fire or accidents in the demised premises.

ARTICLE EIGHT

General Construction Standards

In addition to all code requirements of the City of Lockhart and any other legal entity or sub-entity, the

following shall be the minimum construction standards for the construction of the hangar to be placed on property listed in Exhibit "A" and incorporated by reference:

(1) Hangar shall be of all metal materials to include all supports and exterior siding.

(2) Exterior metal siding shall be of minimum 29 gauge white painted and finished.

(3) All construction shall be on pier and beam with footings appropriate to support the structure. Interior flooring of the hangar so constructed shall be of a slab of sufficient depth (minimum of five inches thick) with steel and wire support to adequately hold the weight of an aircraft.

(4) All utilities, to include electrical service shall be brought underground to the structure at the sole expense of Lessee. The City of Lockhart hereby grants an easement for that purpose to Lessee.

(5) Foundation shall be with concrete footings under all uprights or columns.

(6) Hangar shall be of a gable or arched style of a design approved by the City.

ARTICLE NINE

General Rights and Duties of Parties

The parties hereto for themselves, their legal representatives, successors and assigns, further covenant and agree as follows:

(a) Lessee agrees to observe and obey during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor, and by any other property authority having jurisdiction over the conduct of operations at the airport.

(b) So long as Lessee comports himself in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

(c) With regard to permanent improvements either in place or to be placed upon the premises by Lessee, Lessee hereby agrees to the following provisions:

(i) Permanent improvements placed upon the premises by Lessee during the term of this lease shall revert to Lessor on termination of this Lease.

(ii) Lessee shall provide proof of timely payment on all notes on improvements at a minimum of once annually by providing all appropriate documents to the City Manager of the City of Lockhart.

(iii) All loans upon permanent improvements placed upon the premises by Lessee shall be paid in their entirety and any liens placed upon improvements as a result of those construction loans shall be released no later than five (5) years prior to the termination of this lease agreement.

(iv) No equity or other type of loan which results in additional lien or liens on existing improvements

shall be allowed without the expressed written consent of Lessor.

(d) Lessee agrees that no signs or advertising matter may be erected without the consent of Lessor.

(e) Lessor hereby designates the City Manager, City of Lockhart at its official representative with the full power to represent Lessor in all dealings with Lessee in connection with the premises herein leased. Lessor may designate by notice in writing, addressed to Lessee, other representatives from time to time and such notice shall have the same effect as if included in the terms of this agreement.

(f) Notice to Lessor as herein provided shall be sufficient if sent by registered mail, postage prepaid, to the City Manager, of the City of Lockhart, at 308 West San Antonio Street, Lockhart, Texas, and notice to Lessee in the same manner, shall likewise be sufficient if addressed to Lessee at 1131 Plum Street, Lockhart, Texas 78644, or such other addresses as may be designated by Lessor or Lessee in writing from time to time.

(g) Lessee shall keep the premises, as described hereinabove, clean and all grass areas within the leased premises properly mowed. He shall dispose of all debris and other waste matter which may accumulate on the leased premises at Lessee's expense, and shall provide metal containers with proper covers for waste within the building to be erected on said premises. Should Lessee fail to mow

grassy areas, or dispose of waste, trash or junked vehicles, Lessor shall have the right to do so, and Lessee shall be billed for this work. Lessee shall forthwith remit payment to Lessor, should this occur.

(h) Lessee shall pay all taxes and assessments against the buildings placed on the premises by the Lessee during the term of this agreement.

(i) Lessee hereby grants a lien to the Lessor upon all property belonging to Lessee in and on the premises as a possessory pledge to secure the timely performance by Lessee of all of its obligations hereunder, including the proper payment of rent. In the event of default by Lessee, Lessor is and shall be empowered and authorized to seize and hold all of the personal property belonging to Lessee on the premises to secure such performance, to sell same at public or private sale and to apply the proceeds thereof first to pay the expenses of the sale, and to pay all amounts due Lessor hereunder, holding the balance remaining, if any, subject to Lessee's order. A copy of this agreement shall be the only warrant necessary. Lessee hereby waives any and all exemptions of such property either now or to be later located upon the leased premises.

(j) Lessee agrees and covenants that in the event that any proceedings in bankruptcy or in solvency shall be instituted against Lessee, whether voluntary or involuntary, Lessor may, at its option, declare this lease forfeited and terminated, and upon such declaration Lessee

agrees to give and deliver immediate possession of the premises to Lessor.

(k) Lessee shall have the right of ingress to and egress from the demised premises, which right shall extend to Lessee's passengers, guests and invitees.

(l) Lessor reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance.

ARTICLE TEN

Abatement Due To Airport Closure

During any period when the Airport shall be closed by any lawful authority restricting the use of the Airport in such a manner as to interfere with the use of same by Lessee for its business operations, the rent shall abate and the period of such closure shall be added to the term of this lease so as to extend and postpone the expiration thereof.

ARTICLE ELEVEN

Police Protection

Lessor does not guarantee police protection to Lessee and his property, and Lessor shall not be responsible for injury or harm to any person or for any property belonging to Lessee, his officers, agents, servants, employees, contractors, licensees or invitees which may be stolen, destroyed or in anyway damaged, and Lessee hereby indemnifies and holds harmless Lessor, its officers, agents,

servants, and employees from and against any and all such claims.

ARTICLE TWELVE

Right of Entry By Lessor

Lessor reserves the right to enter and view the premises at any and all times for the purposes of making any inspection it may deem expedient to the property enforcement of any of the covenants or conditions of this agreement.

ARTICLE THIRTEEN

Aerial Approaches

Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstructions, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the leased property which, in the opinion of Lessor, would limit the usefulness of the airport or constitute a hazard to air navigation.

ARTICLE FOURTEEN

National Emergency

During time of war or national emergency, Lessor shall have the right to lease the landing area or any part thereof to the United States Government for military or naval use; and, if any such lease is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the lease to the Government, shall be suspended.

ARTICLE FIFTEEN

Lease Subordinate

This lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the State of Texas and/or the United States, relative to the operation or maintenance of the airport, the execution of which has been, or may be required, as a condition precedent to the expenditure of Federal funds for the development of the Airport.

ARTICLE SIXTEEN

General Provisions

(a) This Agreement embraces the entire agreement between the parties hereto and no statement, remark, agreement, or understanding, oral or written, not contained herein shall be recognized or enforced. This Agreement may be modified only by written addendum hereto signed by all of the parties.

(b) This Agreement shall be binding upon the successors, heirs, assigns, and legal representatives of the Lessor and Lessee.

(c) For the purpose of this Agreement, the singular number shall include the plural, and masculine shall include the feminine and vice versa, whenever the context so admits.

(d) The captions and headings in this Agreement are inserted solely for convenience of references, and are not a part of nor intended to govern, limit and/or aid in the construction of any provision hereof.

(e) Each of the parties heretofore been represented by the attorneys of their choice in the negotiation and drafting of this Agreement, and the same shall not be construed in favor of either party.

(f) This Contract shall be governed by the laws of the State of Texas and construed thereunder, and is performable in Caldwell County, Texas.

(g) If any section, paragraph, sentence or phrase hereof is held to be illegal or unenforceable by a Court of competent jurisdiction, such illegality or unenforceability shall not affect the remainder of this Contract.

(h) Lessee shall pay or cause to be paid all charges for water, heat, gas, electricity, sewer, commercial refuse pickup, and any and all other utilities used on the leased premises throughout the terms of this Lease, including any connection fees.

(i) The Lessee and its successor and assigns will complete a Federal Aviation Administration (FAA) Form 7460-1, "Notice of Proposed Construction of Alteration", and receive a favorable determination from FAA prior to any construction on the property, if deemed necessary by the FAA.

(j) The following events shall be deemed to be events of default by Lessee under this lease:

- (1) Lessee fails to pay any installment of rent under this lease and the failure continues for a period of thirty (30) days.
- (2) Lessee fails to comply with any term, provision, or covenant of this lease, other than payment of rent, and does not cure the failure within thirty (30) days after written notice of the failure to Lessee.
- (3) Lessee makes an assignment for the benefit of creditors.
- (4) Lessee deserts any substantial portion of the premises for a period of ninety (90) or more days.
- (5) The abandonment of the leased premises or discontinuance of Lessee's business operations. Should this occur, Lessor shall not be responsible for the custodial protection of merchandise, fixtures or equipment abandoned, even though it is necessary for Lessor to remove the same from the leased premises for storage or disposal.

Upon default by Lessee of any terms hereunder, Lessee shall surrender the premises upon demand by Lessor without notice, protest, or recourse.

(k) It is understood and agreed that by execution of this lease, the City of Lockhart does not waive or surrender its governmental powers.

ARTICLE SEVENTEEN

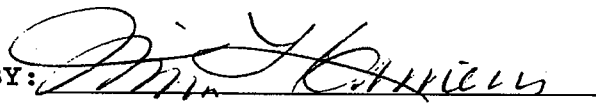
Reverter Clause

In the event that Lessee fails to complete construction upon the hangar facility within one hundred eighty (180) days from the date of the signing of this Lease Agreement, this Lease shall become nullity and of no force and effect. All property described in Exhibit "A" attached hereto shall be deemed to be automatically reverted to the City of Lockhart and Lessee shall have no right under this Lease Agreement to enter on to or remain upon the leased premises.

IN WITNESS WHEREOF, the parties have hereunto set their hands and signatures the day and year first above written.

LESSOR:

CITY OF LOCKHART

BY: 
M. LOUIS CISNEROS, MAYOR

ATTEST:

Gwendolyn L. Barrett
GWEN BARRETT, CITY SECRETARY

LESSEES:

Mannan J. Thomason
MANNAN J. THOMASON

Ulysses J. Backus
ULYSSES J. BACKUS

THE STATE OF TEXAS *

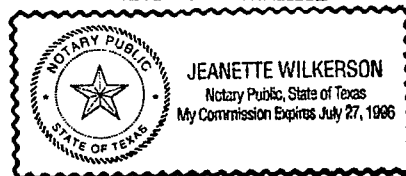
*

COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared M. LOUIS CISNEROS, Mayor of the City of Lockhart, Texas, a Municipal Corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 29 day of June, 1995.

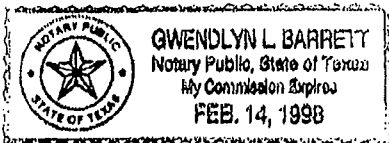
Jeanette Wilkerson
NOTARY PUBLIC - STATE OF TEXAS



THE STATE OF TEXAS *
*
COUNTY OF CALDWELL *

BEFORE ME, the undersigned authority, on this day personally appeared MANNAN J. THOMASON and ULYSSES J. BACKUS, known to me to be the persons whose name are subscribed to the foregoing instrument, and acknowledged to me that they executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, on this the 28 day of June, 1995.



Gwendlyn L. Barrett
NOTARY PUBLIC - STATE OF TEXAS



All of a certain tract or parcel of land situated in the City of Lockhart, Caldwell County, Texas and being a part of the Esther Berry Survey and being also a part of a tract of land called 248 acres and conveyed to the City of Lockhart by deed recorded in Volume 223 Page 3 of the Deed Records of Caldwell County, Texas and being more particularly described as follows:

BEGINNING at an iron pin set for the NE corner this tract and from which iron pin the SE corner of a 5.00 acre tract of land conveyed to Lockhart Airport Development Inc. by deed recorded in Volume 492 Page 540 of the said Deed Records bears N 43 degrees 28 minutes 06 seconds E 739.11 feet.

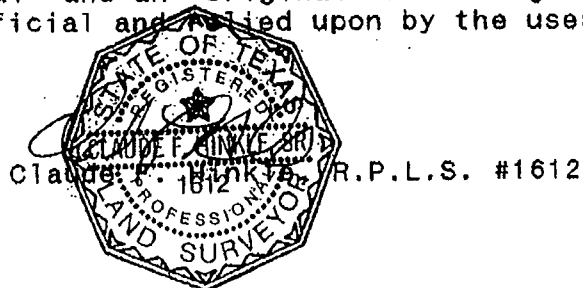
THENCE S 03 degrees 04 minutes 17 seconds W 45.00 feet to an iron pin set for the SE corner this tract.

THENCE N 86 degrees 55 minutes 43 seconds W 80.00 feet to an iron pin set for the SW corner this tract.

THENCE N 03 degrees 04 minutes 17 seconds E 45.00 feet to an iron pin set for the NW corner this tract.

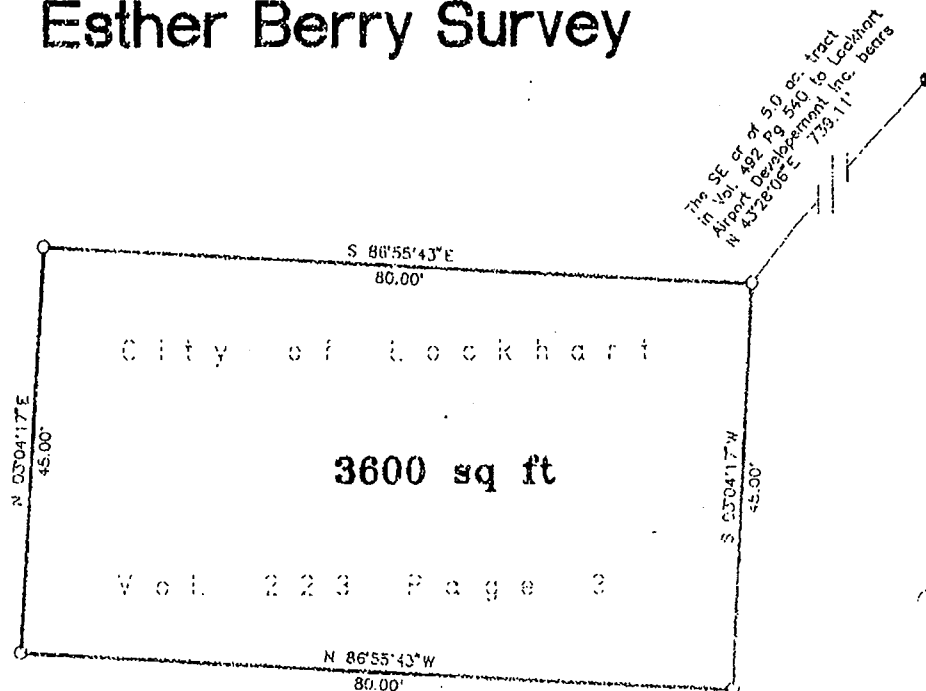
THENCE S 86 degrees 55 minutes 43 seconds E 80.00 feet to the place of beginning containing 3600 square feet of land.

I hereby certify that the foregoing field notes are a true and correct description of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.



Caldwell County, Texas

Esther Berry Survey



Lat: 29°51'07.4" N

248 a.c.

Long: 97°40'11.2" W

SURVEY PLAT

Showing a 3600 sq ft tract of land out of the Esther Berry Survey in the City of Lockhart, Caldwell County, Texas. I hereby certify that the foregoing plat is a true and correct representation of a survey made on the ground by me on June 19, 1995. This survey is for use with this one transaction only. Only those prints containing the raised Surveyor's seal and an original "LIVE" signature should be considered official and relied upon by the user.

Scale 1"=20'



#1612

Field Book: d.c.	Drawn By: J.L.W.
Job No. 91494a	Drawing: 61995.dwg
Date: June 19, 1995	Word Disk: Begin 60195
Surveyed By: J.L.W. BMP CFH	Autocad Disk: Begin 60195



Claude Hinkle Surveyors

1409 South Main St.
P. O. Box 1007
Lockhart, Texas 78744

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Discussion and/or action regarding the appointment of members to a citizen planning committee 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: On July 15, 2025, Council discussed the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026 and how the City of Lockhart could develop its own spirited tribute to celebrate this occasion.

There was a consensus to appoint members to a citizen planning committee at a future meeting to explore and possibly plan activities to celebrate the 250th anniversary.

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

City of Lockhart, Texas

Council Agenda Item

Cover Sheet

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: August 5, 2025

AGENDA ITEM CAPTION: Announcement of nomination of Jason De La Cruz to the Construction Board of Appeals by Councilmember John Castillo for a term to expire in November 2025.

ORIGINATING DEPARTMENT AND CONTACT: Council - John Castillo

ACTION REQUESTED: Other

BACKGROUND/SUMMARY/DISCUSSION: Councilmember John Castillo has nominated Jason De La Cruz to be appointed to the Construction Board of Appeals.

After reviewing the application, Mr. De La Cruz meets the qualifications to serve on a city board.

Resolution 2024-02 was adopted in 2024 establishing administrative procedures for the nomination of board and commission members to include a 2-step process. First, the nomination is to be placed on the agenda as "announcement of nomination" followed by a notice on a subsequent agenda as "discussion and/or action on the nomination."

This item is the announcement of nomination. If the Council should move to appoint Mr. De La Cruz to the board, action of appointment will occur during a subsequent Council meeting.

PROJECT SCHEDULE (if applicable): N/A

FISCAL NOTE (if applicable): N/A

PREVIOUS COUNCIL ACTION: None.

COMMITTEE/BOARD/COMMISSION ACTION: N/A

STAFF RECOMMENDATION/REQUESTED MOTION: None. Discretion of the Council.

LIST OF SUPPORTING DOCUMENTS: CBOA Roster, Jason de la Cruz - CBOA Application,

CONSTRUCTION BOARD OF APPEALS & ADJUSTMENTS

First	Last	Title	Address1	Construction Experience?	Council Member	Date Appt	Exp
Jerry	West	Vice-Chair County Resident	PO Box 41	Yes	John Lairsen	2/20/2024	2026
Raymond	DeLeon		1015 San Sacinto		Mayor White	1/19/2021	2026
Ian	Stowe		428 Trinity St.		Jeffry Michelson	12/20/2022	2026
VACANT	Oscar Torres	automatic resignation - missed 3+ consecutive meetings			John Castillo		
VACANT	Paul Martinez resigned	11-2-22 (county resident)			Angie Sanchez		2022
Gary	Schafer	Alternate	1212 Orange St.	Yes (Project Manager)	Brad Westmorel and	2/4/2020	2022
Michael	Voetee		517 E. Live Oak	Yes	Juan Mendoza	12/17/2019	2022

NOTES:

Section B104.4, Board Decision, is amended to read as follows:

The construction board of adjustments and appeals shall have the power, as further defined in Appendix B, to hear appeals of decisions and interpretations of the building official and consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of this Code [of Ordinances].

Section B101.2, Membership of Board, is amended to read as follows:

Each District Council Member and the Mayor shall appoint one member of the Construction Board of Appeals making it a five (5) member board and each Councilmember at Large shall appoint an alternate. The term of office of the board members shall be three (3) years, such terms coinciding with the council position making the appointment. The two (2) alternates shall also serve the term coinciding with the council position making the appointments. Vacancies shall be filled for an unexpired term in the manner in which the original appointments are required to be made. Board members shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart.

Section 2-209- Method of Selection (6) Subject to other qualifications as specifically required for membership on the below boards and commissions, the city council shall have the right (but not the duty) to appoint up to two members who are not Lockhart citizens but who are residents of Caldwell County, to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the construction board of appeals.

* Quorum - three members

APPLICANT'S NAME: Jason De La CruzBOARD NAME(S): Construction Board of Appeals

The qualifications for members of boards and commissions, except special qualifications for service on a particular board or commission, are as follows:

- Appointees must each be a resident of the State of Texas and a resident of the City of Lockhart for at least twelve (12) consecutive months preceding their appointment unless a particular board's or commission's composition or state law allows for membership by a non-resident of the City.
Date of residency in Lockhart: ~~2013~~ 2006
- Appointees shall be qualified voters in the City of Lockhart or, if not a resident of the City, of Caldwell County.
Date qualified voter in Lockhart: 2011
- Appointees shall not have been removed from another city board or commission because of failure to attend meetings or for cause within the last three years.
Removed from another board? YES or NO
If yes, date _____ and board _____
- No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.
Serves on another board? YES or NO
If yes, board currently serving: _____

BOARD SPECIFIC QUALIFICATIONS:Construction Board

Y or N Qualified by experience and/or training to pass on matters pertaining to building construction?
If yes, see application for details. (CURRENTLY A LICENSED CONTRACTOR IN THE CITY OF LOCKHART)

Y or N City Resident?

Y or N If no, Caldwell County resident?

Up to two members who are not city residents but are residents of Caldwell County may serve.

Current # members that are county residents? _____

Y or N Employee of the City of Lockhart?

Construction Board of Appeals meets on the first and third Thursday at 9:00 a.m. each month if there are items pending the Board's review. The Board shall have the power to hear appeals of decisions and interpretations of the building official and to consider variances of the technical codes; and to conduct hearings on determinations of the building official regarding unsafe or dangerous buildings, structures and/or service systems, and to issue orders in accordance with the procedures beginning with section 12-442 of the Lockhart Code of Ordinances. The Board shall consist of members who are qualified by experience and/or training to pass on matters pertaining to building construction and are not employees of the City of Lockhart. Up to two members who are not city residents but are residents of Caldwell County may serve on the Board. The Board consists of seven members that serve a three-year term. The Building Official is the staff liaison.

CITY SECRETARY'S DETERMINATION OF APPLICANT'S QUALIFICATION:

Is Applicant Qualified?

YES

NO

DISCRETION OF THE COUNCIL

NOTES: _____

MAY 20 2025

In order to be considered for an appointment to a Lockhart Board or Commission, please complete the following application. You may also attach a current resume and letter of interest if you choose.

**CITY OF LOCKHART
CITY SECRETARY'S OFFICE****1. PERSONAL INFORMATION**

Full Legal Name	Jason De la Cruz		Preferred Name	Jany De la Cruz	
Physical Home Address	1607 Bluebell Circle				
Mailing Address (if different)					
City	Lockhart	State	Texas	Zip	78644
Home Phone	(512) 947-5089		Work Phone	Same	
Mobile Phone	-				
Email Address					
Date of Birth					

2. AREAS OF INTEREST

Please indicate the position(s) of interest to you.

☐	Airport Advisory Board	☐	Animal Shelter Advisory Board
☐	Zoning Board of Adjustment & Appeals	☐	Historical Preservation Commission
☐	Charter Review Commission	☐	Hotel Occupancy Tax Advisory Board
☒	Construction Board of Appeals	☐	Library Advisory Board
☐	Economic Development Corp (1/2 Cent Sales Tax)	☐	Parks & Recreation Advisory Board
☐	Electric Board	☐	Planning & Zoning Commission

In the space below, please explain your interest in the position(s) selected above. Also, please explain any experience you have related to your selection(s).

As a long-time community member and experienced construction professional, I'm committed to public safety, fair decision-making, and upholding local building standards. With 20 years of experience managing residential and commercial projects, coordinating with officials, and ensuring code compliance, I bring practical insight and problem-solving skills to the table. My role as a business owner reflects the accountability, professionalism, and sound judgement essential for serving on the Construction Board of Appeals.

3. BOARD MEMBER QUALIFICATIONS

The following are qualifications as outlined in Section 2-209 of the Lockhart Code of Ordinances to serve on a Board/Commission:

YES	NO	Please answer the following questions about Board/Commission qualifications:
☒	☐	Have you been a resident of the State of Texas/City of Lockhart for at least twelve (12) consecutive months preceding appointment?
☒	☐	Are you a registered voter?
☐	☒	Have you been removed from another city board or commission because of failure to attend meetings or for cause within the last three years?
☐	☒	Do you serve on any other City of Lockhart board/commission/committee at this time? If yes, please list: _____

For your reference, the following additional qualifications apply to appointed Board/Commission members:

- A member who is required to be a resident of the city (or county when applicable) when appointed and who thereafter moves his or her primary residence outside of the corporate limits of Lockhart (or county when applicable) vacates his or her position on a board of commission on the date the residency changes.
- The City Council shall have the right, but not the duty, to appoint up to two members who are not city residents but who are residents of Caldwell County to the Lockhart Airport Advisory Board, the Eugene Clark Library Board, and the Construction Board of Appeals.
- Any member of a board or commission who is absent from three consecutive regular meetings, or any four non-consecutive regular meetings of the board or commission during any twelve-month period, shall forfeit his or her position and the vacancy occurring shall be declared and filled by the Council.
- Members must maintain their qualifications while serving on a board or commission.
- No member of any appointed body shall serve on more than one quasi-judicial or advisory board or commission.
- No appointed body shall deviate from its charge, deliberate items not on its agendas, or speak for the council or City of Lockhart without council authorization.
- Members appointed serve without compensation.

Certification of Applicant

I hereby certify that the foregoing and any attached statements are true, accurate and complete. I also understand that this application is subject to disclosure under the Texas Public Information Act.


Applicant's Signature

5/19/25
Date

Completed application, resume and letter of interest may be submitted in person, email, or by mail to:

City of Lockhart
City Secretary's Office
308 W. San Antonio Street / PO Box 239
Lockhart, TX 78644

Phone: 512.398.3461
jbowermon@lockhart-tx.org



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:

