

PUBLIC NOTICE

AGENDA

LOCKHART CITY COUNCIL

June 2, 2026

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

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

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

DISCUSSION ONLY

- A. Presentation of proclamation recognizing May 2026 as Travel and Tourism Month in the City of Lockhart. **4**
- B. Discuss an Event Sponsorship Agreement between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event. **5-19**
- C. Discussion regarding Resolution 2026-24 authorizing a Memorandum of Understanding between the City of Lockhart and Gaslight-Baker Theatre, as the proposed Cultural District Management Entity, related to the proposed Lockhart Cultural District and supporting pursuit of Cultural District designation through the Texas Commission on the Arts. **20-34**
- D. Presentation from NewGen Strategies & Solutions regarding the City's electric rate study and discussion regarding a proposed five-year electric utility rate plan. **35-75**
- E. Discuss Resolution 2026-23 authorizing the City Manager to enter into a Technical Service Agreement with Strand Associates, Inc. for airport planning and technical support services related to the Lockhart Municipal Airport. **76-85**
- F. Discussion regarding Task Order No. 26-01 with Strand Associates, Inc. for on-call engineering and technical support services related to the Lockhart Municipal Airport. **86-89**
- G. Discussion regarding potential capital projects and funding priorities associated with the City's proposed 2026 Certificates of Obligation issuance. **90-91**

7:30 P.M. REGULAR MEETING

1. CALL TO ORDER

Mayor Lew White

2. INVOCATION, PLEDGE OF ALLEGIANCE

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

3. PUBLIC COMMENT

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

4. DISCUSSION/ACTION ITEMS

- A. Discussion and/or action regarding an Event Sponsorship Agreement **92-106** between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event.
- B. Discussion and/or action regarding Resolution 2026-24 authorizing a **107-121** Memorandum of Understanding between the City of Lockhart and Gaslight-Baker Theatre, as the proposed Cultural District Management Entity, related to the proposed Lockhart Cultural District and supporting pursuit of Cultural District designation through the Texas Commission on the Arts.
- C. Presentation from NewGen Strategies & Solutions regarding the **122-162** City's electric rate study and discussion and/or action on a proposed five-year electric utility rate plan.
- D. Discussion and/or action regarding Resolution 2026-23 authorizing **163-172** the City Manager to enter into a Technical Service Agreement with Strand Associates, Inc. for airport planning and technical support services related to the Lockhart Municipal Airport.
- E. Discussion and/or action regarding Task Order No. 26-01 with Strand **173-176** Associates, Inc. for on-call engineering and technical support services related to the Lockhart Municipal Airport.

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

- June 10 - FY 26-27 Budget Workshop: General Fund
- June 11 - FY 26-27 Budget Workshop: Utility and Special Revenue Funds.
- Chisholm Trail Homecoming Rodeo 2026 scheduled for June 12-13.
- City pool and City Park Splash Pad will be closed June 8 - 14 during Chisholm Trail Homecoming Rodeo events.
- Movies in the Park dates set for June 20, July 11, and August 8.

6. **COUNCIL AND STAFF COMMENTS - ITEMS OF COMMUNITY INTEREST**

7. **EXECUTIVE SESSION IN ACCORDANCE WITH THE PROVISIONS OF GOVERNMENT CODE, TITLE 5, SUBCHAPTER D, SECTION 551.071, PRIVATE CONSULTATION WITH ATTORNEY TO SEEK LEGAL ADVICE ABOUT MATTERS SUBJECT TO THE ATTORNEY CLIENT PRIVILEGE AND SECTION 551.074, DELIBERATION REGARDING THE APPOINTMENT, EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF A PUBLIC OFFICER OR EMPLOYEE.**
 - A. Receipt of legal advice from City Attorney regarding possible amendment to lease related to 109 East San Antonio Street, and legal questions related thereto.
 - B. Deliberation regarding amendment to contract for services of City Attorney concerning rate update, and legal questions related thereto.

8. **OPEN SESSION**
 - A. Discussion and/or action regarding legal advice from City Attorney regarding possible amendment to lease related to 109 East San Antonio Street, and legal questions related thereto.
 - B. Discussion and/or action regarding amendment to contract for services of City Attorney concerning rate update, and legal questions related thereto.

9. **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 May 27, 2026 at 5:00 p.m.

PROCLAMATION

WHEREAS, travel and tourism are essential to the economic vitality, quality of life, and community identity of cities across Texas and the United States; and

WHEREAS, tourism supports local businesses, restaurants, lodging properties, retailers, attractions, artists, historic sites, event venues, and hospitality workers while generating revenue that helps strengthen public services and community investment; and

WHEREAS, the City of Lockhart is recognized for its rich history, authentic Texas character, vibrant downtown, arts and culture, live music, local businesses, and its long-standing reputation as the Barbecue Capital of Texas; and

WHEREAS, visitors to Lockhart contribute to the local economy through dining, shopping, lodging, events, heritage tourism, and experiences that showcase the people, places, and stories that make Lockhart unique; and

WHEREAS, tourism not only welcomes visitors, but also enhances community pride, supports small businesses, preserves local heritage, and improves the quality of life for residents; and

WHEREAS, May is recognized nationally as a time to celebrate the travel and tourism industry and to acknowledge the important role tourism plays in building strong, connected, and resilient communities; and

NOW, THEREFORE, I, Lew White, Mayor of the City of Lockhart, Texas, do hereby recognize

May 2026
as
Travel and Tourism Month

in the City of Lockhart and encourage all residents to join in celebrating the value of travel and tourism and the many individuals, businesses, and organizations who help make Lockhart a welcoming destination for visitors and a vibrant place to live.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the City of Lockhart, Texas, to be affixed this 2nd day of June 2026.

ATTEST:

Julie Bowermon
City Secretary



CITY OF LOCKHART

Lew White
Mayor

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discuss an Event Sponsorship Agreement between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

This item is for consideration of an Event Sponsorship Agreement between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event to be held at Lockhart City Park on June 12–13, 2026. The proposed event includes a rodeo, barbecue cook-off, marketplace vendors, carnival activities, and related entertainment and community activities. Portions of the event will be open to the public and include ticketed activities.

Under the proposed agreement, the City would provide a total sponsorship contribution of up to \$50,000, consisting of a \$25,000 cash sponsorship for event support and sponsorship benefits, as well as up to \$25,000 in in-kind support. The City's in-kind support would include assistance with permitting, street closures, utility coordination, and use of City facilities associated with the event, including Lockhart City Park and related setup and teardown activities. Event-related park and street use would begin June 7, 2026, at 8:00 a.m. and conclude June 14, 2026, by 5:00 p.m.

Under the agreement, Chisholm Trail Homecoming Rodeo would be responsible for overall event organization and operations, including entertainment, activities, vendors, trash collection and cleanup, portable restroom facilities, event staffing, utilities associated with the event, and compliance with applicable permitting and insurance requirements. The organizer would also retain responsibility for securing and managing third-party sponsorships associated with the event.

Approval of the agreement would support the return of the Chisholm Trail Homecoming Rodeo as a community event at Lockhart City Park and establish the respective responsibilities of the City and the event organizer related to sponsorship support, permitting, utilities, insurance, event operations, and coordination activities.

PROJECT SCHEDULE (if applicable): • Event Setup Activities Begin: June 7, 2026

• Chisholm Trail Homecoming Rodeo Event: June 12–13, 2026

• Event Teardown Completion: June 14, 2026

City of Lockhart, Texas

Council Agenda Item Cover Sheet

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Chisholm Trail Rodeo Agreement, Exhibit A
Chisholm Trail Homecoming Rodeo Application

**CHISHOLM TRAIL HOMECOMING RODEO
EVENT SPONSORSHIP AGREEMENT**

This Event Sponsorship Agreement (“Agreement”) is entered into by and between Chisholm Trail Homecoming Rodeo (“Organizer”) and the City of Lockhart, Texas, a municipality of the State of Texas (“Client”), and governs the terms of the Chisholm Trail Homecoming Rodeo event at the Lockhart City Park described in this Agreement and Client’s sponsorship thereof, in each case on the terms provided in this Agreement.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Events.**

- **Event Description.** This 2-day event comprises rodeo, barbeque cookoff, marketplace vendors and carnival (“Event”).
- **Sponsorship Fee.** In consideration of the Chisholm Trail Homecoming Rodeo event, Client shall pay the Organizer a sponsorship fee of up to \$50,000, comprising the following (i) a \$25,000 cash payment for additional event support and sponsorship benefits (ii) up to \$25,000 of in-kind support as described below. Fifty percent (50%) of these amounts are payable within ten (10) business days of the execution of this Agreement, with the remaining fifty percent (50%) payable no later than ten (10) business days following the Event.
- **Event Details –**
 - June 12th and 13th- Rodeo. This event will be held in Lockhart City Park. This is a ticketed, public event.
 - June 12th and 13th- Carnival. This portion of the event will be held at Lockhart City Park. This is a public event with ticketed amusement rides.
- **Event content.** Organizer shall be responsible for curating and engaging the entertainment for the Event and shall have sole decision-making authority for the content and curation of the Event.
- **Client In-Kind Support.** The in-kind support to be provided by Client includes the following:
 - All city permitting (street, fire, police, sound, building, parking, etc.) and assistance with all other permitting requirements for the Event. Street closures for City Park beginning June 7, 2026 at 8am and ending June 14, 2026 by 5pm.
 - Venues: securing access to utilities and assisting with utility account setups.
- **Organizer’s Services. Chisholm Trail Homecoming services include:**
 - Securing trash receptacles from the City’s solid waste provider, and provide staff for cleaning and trash removal.
 - Supply portable restrooms for the event.
 - Pay for utilities used during the event.

2. **Term.** The term of this Agreement will commence on the date of the last signature below (the “Effective Date”) and, unless earlier terminated as provided herein, will continue in full force and effect until June 30, 2026.

3. **Cancellation.** Either party may terminate this Agreement for any or no reason with not less than ten (10) days written notice before the Event date, with no further obligations, except that the terminating party shall be obligated to pay or promptly reimburse the other party for any unavoidable costs incurred by the non-terminating party as a consequence of such termination (e.g., guaranteed artist fees). The Organizer also retains the right to cancel any portion of or all of the Event at any time for cause, including, without limitation, safety concerns, Client’s non-compliance with this Agreement, or for other reasons as set forth herein, after advance notice and opportunity to cure as follows: (a) more than two weeks prior to the Event, the notice and cure period shall be 72 hours; and (b) for the two weeks prior, the notice and cure period shall be 24 hours. Upon termination of this Agreement, all rights granted to Client under this Agreement, including any trademark rights, shall immediately cease. Client acknowledges that failure to comply with its trademark

obligations under this Agreement will result in immediate and irreparable harm to the Organizer, entitling it to injunctive and any and all other appropriate relief.

4. **Event Revenues. Chisholm Trial Homecoming Rodeo** shall be entitled to 100% of the proceeds of any third-party sponsorships it procures for the Event.

5. **Compliance with Laws.** Client acknowledges that the Organizer reserves the right to impose rules and requirements applicable to the Event. Client acknowledges that local, state and federal entities have rules and regulations which may impact activities and promotions during the event. Each party shall ensure that its activities under this Agreement comply with all federal, state and local laws, ordinances, codes, rules, and regulations.

6. **Insurance.**

(a) Client will procure and maintain, at its own expense, Commercial General Liability (“CGL”) insurance, or Texas Municipal League Risk Pool equivalent, with a combined single limit of not less than \$1 million per occurrence and \$2 million in the aggregate, which policy must be in full force and effect for the Event and any associated load-in and load-out times before and after the Event. This policy must be taken out in the name of the Client and must specifically identify the Organizer, and its officers, employees and agents as additional insureds. Prior to the Event, Presenter shall provide the Organizer with proof of such insurance.

(b) CLIENT WAIVES ALL RIGHTS OF SUBROGATION AGAINST CHISHOLM TRAIL HOMECOMING RODEO, ITS OFFICERS, DIRECTORS, SHAREHOLDERS OR EMPLOYEES AND REPRESENTATIVES TO THE EXTENT OF ALL LOSSES OR DAMAGE COVERED BY ANY POLICY OF INSURANCE. CLIENT AGREES TO ADVISE ITS INSURER OF SUCH WAIVER, AND OBTAIN ALL ENDORSEMENTS REQUIRED FOR SUCH WAIVER TO BE EFFECTIVE.

(c) Chisholm Trail Homecoming Rodeo will procure and maintain, at its own expense, CGL insurance at the same coverage required of Client above.

7. **Indemnification.** If and to the extent permitted under Texas law, and subject to the last sentence of this Section 7, Client will indemnify and hold harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Organizer to the extent it is caused by Client’s default with respect to any of the terms or provisions of this Agreement or any negligent act or omission or intentional misconduct of Client, its officials, officers, agents, servants or employees or, while performing their duties under this Agreement. Nothing in this Section 7 or any other provision of this Agreement shall require, or be deemed or construed as having required, the City to assess or collect revenue or to create a sinking fund to satisfy any indemnification obligation under this Agreement.

8. **Damages Waiver.** EXCEPT WITH RESPECT TO CLIENT’S INDEMNIFICATION OBLIGATIONS HEREUNDER, OR INFRINGEMENT OF THE ORGANIZER’S INTELLECTUAL PROPERTY, AND NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR SIMILAR DAMAGES, WHETHER BASED ON CONTRACT, TORT, WARRANTY, OR OTHER LEGAL OR EQUITABLE GROUNDS, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS OR OTHER PECUNIARY LOSS, ARISING OUT OF THIS AGREEMENT OR THE SERVICES, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF CAUSED BY THE NEGLIGENCE OF THE OTHER PARTY.

9. **“As Is” Nature.** EXCEPT AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT, ANY PRODUCTS SERVICES, OR PROPERTY PROVIDED OR TO BE PROVIDED BY THE ORGANIZER HEREUNDER ARE PROVIDED "AS IS" WITHOUT ANY WARRANTY OF ANY KIND, AND NO OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR OTHERWISE, ARE MADE WITH RESPECT TO THE SAME, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. **Representations and Warranties.** Each party represents and warrants to the other party that: (a) it has the full power and authority to enter into this Agreement and to carry out the provisions thereof; (b) the person executing this Agreement on behalf of such party is authorized to do so; (c) the rights granted hereunder shall not violate any law or infringe upon the rights of any third parties; and (d) such party shall comply with all laws, ordinances, or governmental rules or regulations and order applicable to presentation of the Event.

11. **Notices.** All notices to be given with respect to this Agreement shall be given to the Organizer and to Client, respectively, at the address below and shall be in writing, postage or delivery charges prepaid. All notices shall be effective upon actual receipt or refusal of delivery by the party to whom given. Either party may change the address at which it is to receive notice by giving notice thereof to the other Party.

If to Client:

City of Lockhart
Attn: City Manager
308 W. San Antonio Street
Lockhart, Texas 78644
Email: jresendez@lockhart-tx.org

If to Chisholm Trail Homecoming Rodeo:

CHISHOLM TRAIL HOMECOMING RODEO
Attention: Anthony Collins
808 Thompson Road
Dale, Texas 78616
Email: anthony@whitefeatherservices.com

12. **General Provisions.** Nothing contained in this Agreement establishes a partnership or joint venture with Chisholm Trail Homecoming Rodeo. This Agreement shall be governed by the laws of the State of Texas and exclusive venue for all disputes arising under or related to it shall lie in a court of proper jurisdiction in Caldwell County, Texas. The obligations set forth herein relating to indemnification, limitations of liability, governing law and venue, and general provisions shall survive the expiration or earlier termination of this Agreement. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provisions were so excluded and shall be enforceable in accordance with its terms. This document represents the entire agreement of the parties with respect to the subject matter hereof and cannot be amended except by a writing signed by both parties. Headings are included for convenience only and will not be used to construe this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Further, this Agreement may be executed by facsimile, email, electronic signature or other electronic means, and so executed shall have the full force and legal effect as an original. The language of this Agreement shall be construed simply and according to its fair meaning, and shall not be construed for or against any party as a result of the source of draftsmanship.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date herein above first written.

ACCEPTED AND AGREED TO:

CITY OF LOCKHART

Signature: _____

Printed Name: _____

Title: _____

Date: _____

CHISHOLM TRAIL HOMECOMING RODEO

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit A
Special Activity Permit

CITY OF LOCKHART
SPECIAL ACTIVITY PERMIT APPLICATION

THIS APPLICATION MUST BE SUBMITTED TO THE LOCKHART POLICE DEPARTMENT AT 214 BUFKIN LANE, LOCKHART, TEXAS. THE APPROVAL PROCESS MAY TAKE UP TO 3 BUSINESS DAYS TO COMPLETE.

NOTES: FAILURE TO FILE THE APPLICATION WITH THE LOCKHART POLICE DEPT. IN SUFFICIENT TIME MAY RESULT IN DENIAL OF THE PERMIT FOR THIS ACTIVITY.
IN THE EVENT THERE IS A SITUATION/CONFLICT WITH THE PERMIT, YOU WILL BE CONTACTED BY A MEMBER OF LOCKHART CITY STAFF.

DATE RECEIVED: 1-21-26 BY: [Signature]

TYPE OF ACTIVITY: Rodeo
DATE(S) OF ACTIVITY: June 12-14
TIMES OF ACTIVITY: Rodeo dates June 12 & 13

ACTIVITY SPONSOR (NAME OF GROUP, ORGANIZATION, OR INDIVIDUAL SPONSORING THE ACTIVITY)

Event is held in the Lockhart City Park
NAME: Chiselm Trail Homecoming Rodeo
PHYSICAL ADDRESS: City Park 808 Thompson Rd Dale TX
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE) 78846
MAILING ADDRESS: 808 Thompson Rd Dale TX
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE) 78846
TELEPHONE NUMBER: (512) 995-5216

APPLICANT (NAME OF THE PERSON WHO WILL BE IN CHARGE OF THIS ACTIVITY)

NAME: James Welvaert
PHYSICAL ADDRESS: 808 Thompson Rd Dale TX
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE) 78846
MAILING ADDRESS: ..
TELEPHONE NUMBER: (512) 995-5216
D.L. # / ID CARD # 03913258

LOCATION OF ACTIVITY (FACILITY TO BE USED, PARK, ETC.)

PHYSICAL ADDRESS: City Park

NAME OF PROPERTY OWNER: City of Lockhart

OWNERS ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

MAILING ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: () -

FACILITY DESCRIPTION

WILL YOU BE USING A TENT OR AN AIR SUPPORTED STRUCTURE? YES NO

IF YES, WHAT IS THE SIZE OF THE TENT OR AIR SUPPORTED STRUCTURE? _____

IF YES, IS IT FIRE RETARDENT OR FLAME RESISITANT? YES NO

IF YES, DO YOU HAVE THE CERTIFICATE FOR IT? YES NO

DO YOU HAVE THE REQUIRED NUMBER OF THE FOLLOWING:

FIRE EXISTS? YES NO

FIRE EXTINGUSHERS? YES NO

RESTROOM FACILITITES? YES NO

SANITATION FACILITIES? YES NO

WHAT AREA WILL BE USED FOR VEHICLE PARKING? City Park

ADMISSION

IS THE ACTIVITY OPEN TO THE PUBLIC? YES NO

IF NOT, WHO WILL MONITOR ADMITTANCE? Lockhart Homecoming Staff

WILL AN ENTRANCE FEE BE CHARGED? YES NO

IF YES, HOW MUCH? \$15⁰⁰ per person

ESTIMATED NUMBER OF PEOPLE TO ATTEND? 3000 per night

ALCOHOLIC BEVERAGES

WILL ALCOHOLIC BEVERAGES BE ALLOWED ON PREMISES? YES NO

IF SO, WHAT TYPE? Beer

WILL ALCOHOLIC BEVERAGES BE FOR SALE? YES NO

IF YES, DO YOU HAVE A TEMPORARY ALCOHOLIC BEVERAGE PERMIT ISSUED BY THE TEXAS ALCOHOLIC BEVERAGE COMMISSION? YES NO

IF YES, WHAT IS THE PERMIT NUMBER? _____

WHO HOLDS THE PERMIT LICENSE? Lockhart

FOOD

WILL FOOD BE SOLD? YES NO

IF YES, WHAT TYPE OF FOODS? Mobil Trailer Sales

WILL FOOD BE PREPARED AT THIS LOCATION? YES NO

WILL YOU BE USING HEATING OR COOKING EQUIPMENT? YES NO

IF YES, WHAT TYPE OF EQUIPMENT? _____

IS THE EQUIPMENT INSTALLED AND SECURED PROPERLY? YES NO

DO YOU HAVE A FOOD HANDLERS PERMIT? YES NO

IF YES, DATE OF ISSUE: _____ DATE OF EXPIRATION: _____

WILL FOOD BE CATERED? YES NO

CATERER'S PHONE NUMBER: (____) _____ - _____

AMUSEMENTS

WILL YOU HAVE ANY AMUSEMENTS? YES NO

IF YES, WHAT TYPE: _____

AMPLIFIED SOUND

WILL AMPLIFIED SOUND BE USED (i.e., band, disc jockey, loud speakers, etc.)?

YES NO

IF YES, WHAT TYPE?

Rodco Sound System

DURING WHAT HOURS?

6pm - 12:00 Am

NO OPERATORS OR ACTIVITY SHALL AT ANY TIME ALONG ANY FACILITY PROPERTY LINE CAUSE A SOUND PRESSURE LEVEL WHICH EXCEEDS THE FOLLOWING DECIBEL LIMITS:

<u>Frequency (Hz)</u>	<u>Maximum db level</u>
0 - 600	58
600 - 2400	50
Above 2400	42

VIOLATION OF THESE SOUND LEVELS IS A CRIME PUNISHIBLE BY A FINE NOT TO EXCEED \$1,000.00.

SECURITY

DO YOU HAVE SECURITY OFFICERS? YES NO HOW MANY? _____

AGENCY PROVIDING SECURITY? _____

ADDRESS:

(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

**SECURITY INFORMATION MUST BE PROVIDED TO THE LOCKHART
POLICE DEPARTMENT BEFORE THIS ACTIVITY BEGINS**

POLICE DEPARTMENT

City Use Only/Cost: _____

NUMBER OF OFFICERS REQUIRED (IF PD IS TO PROVIDE SECURITY): _____

HOURS TO BE USED: _____

PARKS

City Use Only/Cost: _____

NUMBER OF PARKS PERSONNEL NEEDED FOR EVENT: 0

TRASH CANS NEEDED: 25

NUMBER OF BARRICADES REQUIRED: _____

LOCATION WHERE BARRICADES ARE TO BE USED: Closing of Park

STREETS

City Use Only/Cost: _____

NUMBER OF STREETS PERSONNEL NEEDED FOR EVENT: 0

NUMBER OF BARRICADES REQUIRED: _____

STREETS TO BE CLOSED: 1) _____

2) _____

3) _____

4) _____

5) _____

PLEASE USE A SEPARATE SHEET OF PAPER TO CONTINUE STREET CLOSURES.

I, the undersigned applicant, hereby affirm that I am the person who is responsible for this activity. I understand that any false or misleading statement in this application is grounds for denial of a permit, or if one has already been issued, grounds for its revocation. I also understand that I am responsible for compliance with all applicable laws and any other requirements set forth for the issuance of this permit.

[Handwritten Signature]
Applicant Printed Name

JAN. 21, 2025
Date

James E Welvaert, Jr
Signature

APPROVED

- POLICE OFFICIAL: *[Signature]* DATE: 1-23-26
- FIRE OFFICIAL: *W. R. Jenkins* DATE: _____
- BUILDING OFFICIAL: _____ DATE: _____
- PARKS OFFICIAL: *Travis Hughes* DATE: 1-23-2026
- HEALTH OFFICIAL: _____ DATE: _____
- ELECTRICAL OFFICIAL: _____ DATE: _____
- PUBLIC WORKS OFFICIAL: *Sean Kelley* DATE: 1/23/26

DISSAPPROVED

- POLICE OFFICIAL: _____ DATE: _____
- FIRE OFFICIAL: _____ DATE: _____
- BUILDING OFFICIAL: _____ DATE: _____
- PARKS OFFICIAL: _____ DATE: _____
- HEALTH OFFICIAL: _____ DATE: _____
- ELECTRICAL OFFICIAL: _____ DATE: _____
- PUBLIC WORKS OFFICIAL: _____ DATE: _____

COMMENTS / ADDITIONAL REQUIREMENTS:

MUST BE SIGNED AND RETURNED WITH VENDORS APPLICATION
FOOD SERVICE AT SPECIAL EVENTS

BY HEALTH DEPARTMENT
CITY OF LOCKHART

FOOD BOOTH

This Guideline for Food Service at Special Events is compiled to give patrons of those events assurance of Vendors Commitment to Food Safety.

- Food Booths – all food must be covered or all sides of booth must be screened.
- Top to repel water.
- Floors that can be cleaned.
- All food prepared, stored, or displayed must be in booth. **All food must be prepared on site!**
- Hand wash facility shall have adequate amounts of water, soap dispenser and towels (disposable).
- If cooking utensils are used the booth must have two containers large enough to wash the utensils: one for detergent and one for Clorox and water (one tablespoon per gallon of water). **These are not to be used for hand washing!**
- All eating utensils to be disposable (cups, knives, forks spoons and plates).
- Food preparation to be done on nonporous surface (cutting boards of hard plastic).
- There shall be a container to hold all waste from beverages, ice, etc. and disposed of in proper manner (not on ground).
- There must be a food thermometer in each food booth.
- **Cold food must be kept at 41 degrees F or below** (potentially hazardous food [food that will spoil]).
- **Hot food must be kept at 165 degrees F or over** (potentially hazardous food [food that will spoil]).
- Condiments shall be in pumps, squeeze containers, self-closing lids or individual wrapped packages.
- Ice for drinks to be kept separate from ice for cooling.
- Ice used for refrigeration can not be used for consumption.
- **Refrigeration large enough to hold food to 41 degrees or lower day and night** (can not take home).
- Food must be covered at all times.
- If cooking – all grease to be recovered and disposed of properly (**not on the ground!**)
- Store everything at least 6” off the ground.
- All garbage to be in plastic lined container with lid.

FOOD HANDLERS

- **Must wear clean outer garments/aprons.**
- **Restrain hair (hats, scarves or hair nets).**
- **Do not work if ill.**
- **Wash hands each time you enter food area from eating, smoking, using restroom, etc.**
- **If you are handling food, you must use disposable, chemically treated towelette.**
- **Persons using tongs or individual tissue need not use gloves.**
- **No smoking or eating in the booth.**
- **No visitors, children or pets are allowed in the booth.**

COMPLIANCE IS MANDATORY

You must sign this document and return it with your application or the application will be denied.

Printed Name _____

Signature _____

Date _____

PARK USE APPLICATION (PAVILION)

NAME OF PERSON, GROUP OR: _____

ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

DATE & TIME OF ACTIVITY: _____

FACILITY TO BE USED: _____

PURPOSE OF ACTIVITY: _____

WHO WILL BE RESPONSIBLE FOR THE ACTIVITY? _____

ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

SIGNATURE DATE

Sec. 19-35 Revocation of Permit

A park use permit may be revoked at any time by the City Manager or his designate for reasons which may include, but are not limited to misrepresentation of information given at the time of permit application, failure to comply with conditions the permit, or assignment of the permit to another party without the prior written consent of the City Manager or his designate.

****SPECIAL NOTE: IT IS THE USER/APPLICANT'S RESPONSIBILITY TO BAG AND PLACE ALL GARBAGE IN THE NEAREST DUMPSTER TO THE PAVILION BEING USED. FAILURE TO COMPLY WITH THIS REQUIREMENT WILL FORFEIT ALL DEPOSITS AND FUTURE USE OF ANY CITY FACILITY!**

APPLICANT'S INITIALS

FOR OFFICIAL USE ONLY

APPROVED
DISAPPROVED

(SIGNATURE OF OFFICIAL) DATE

FEE PAID: _____ DEPOSIT PAID: _____

DATE PAID: _____ DATE PAID: _____

RECEIPT # _____ RECEIPT # _____

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion regarding Resolution 2026-24 authorizing a Memorandum of Understanding between the City of Lockhart and Gaslight-Baker Theatre, as the proposed Cultural District Management Entity, related to the proposed Lockhart Cultural District and supporting pursuit of Cultural District designation through the Texas Commission on the Arts.

ORIGINATING DEPARTMENT AND CONTACT: Economic Development - Tiffany Padilla

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: Resolution 2026-24 would authorize a Memorandum of Understanding (“MOU”) between the City of Lockhart and Gaslight-Baker Theatre, the proposed Cultural District Management Entity (“CDME”), related to the proposed Lockhart Cultural District application to the Texas Commission on the Arts (“TCA”).

The proposed Cultural District is intended to support cultural tourism, downtown vitality, historic preservation, arts and cultural programming, visitor engagement, and economic development in Lockhart.

The proposed MOU establishes the respective roles and responsibilities of the City and the CDME related to district coordination, reporting, use of City branding and resources, signage and wayfinding coordination, public trust standards, and continuity planning. The agreement further clarifies that Gaslight-Baker Theatre would serve as the independent nonprofit Cultural District Management Entity responsible for district management and TCA reporting requirements, while the City would remain a supportive municipal partner focused on tourism coordination and related governmental functions.

Approval of the Resolution and MOU would provide formal municipal support for the proposed Lockhart Cultural District application and establish a coordination framework between the City and the proposed Cultural District Management Entity should the district receive designation through the Texas Commission on the Arts.

PROJECT SCHEDULE (if applicable): The Texas Commission on the Arts application deadline is June 15, 2026.

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: Staff respectfully requests approval of the Resolution and Memorandum of Understanding supporting the creation of the Lockhart Cultural District.

LIST OF SUPPORTING DOCUMENTS: Resolution 2026-24 - Lockhart Cultural District

RESOLUTION NO. 2026 - 24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH GASLIGHT-BAKER THEATRE RELATED TO THE PROPOSED LOCKHART CULTURAL DISTRICT; SUPPORTING THE PURSUIT OF CULTURAL DISTRICT DESIGNATION THROUGH THE TEXAS COMMISSION ON THE ARTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Lockhart recognizes the value of arts, culture, heritage tourism, historic preservation, and downtown vitality as important components of the community's economic development and quality of life efforts; and

WHEREAS, Gaslight-Baker Theatre has been identified as the proposed Cultural District Management Entity for the proposed Lockhart Cultural District application to the Texas Commission on the Arts; and

WHEREAS, the City Council desires to support the pursuit of Cultural District designation while clarifying the respective roles and responsibilities of the City and the proposed Cultural District Management Entity through a Memorandum of Understanding;

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

SECTION 1.

The City Council hereby authorizes the City Manager, or designee, to execute the Memorandum of Understanding (Exhibit A) between the City of Lockhart and Gaslight-Baker Theatre related to the proposed Lockhart Cultural District, in substantially the same form as presented to the City Council, including provisions related to district management responsibilities, public trust standards, use of City branding and resources, conflict-of-interest safeguards, reporting obligations, and successor management procedures.

SECTION 2.

The City Council hereby expresses its support for the pursuit of Cultural District designation through the Texas Commission on the Arts and recognizes the potential benefits associated with cultural tourism, arts and cultural programming, downtown revitalization, historic preservation, and visitor engagement.

SECTION 3.

Nothing in this Resolution shall be construed as obligating the City to provide funding, staffing, operational management, property rights, or ongoing administrative support unless separately approved by the City Council.

SECTION 4.

This Resolution shall take effect immediately upon its passage and approval.

PASSED, APPROVED, AND ADOPTED this 2nd day of June, 2026.

ATTEST:

Julie Bowermon, City Secretary

Lew White, Mayor

APPROVED AS TO FORM:

Brad Bullock, City Attorney

EXHIBIT A

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF LOCKHART AND GASLIGHT-BAKER THEATRE,
AS THE DESIGNATED CULTURAL DISTRICT MANAGEMENT ENTITY
FOR
THE PROPOSED LOCKHART CULTURAL DISTRICT**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Lockhart, Texas, hereinafter referred to as the “City,” and Gaslight-Baker Theatre, a Texas nonprofit organization serving as the designated Cultural District Management Entity (“CDME”) for the proposed Lockhart Cultural District, hereinafter referred to as the “CDME.”

RECITALS

WHEREAS, the City of Lockhart supports tourism promotion, downtown vitality, historic preservation, arts and cultural programming, visitor engagement, and economic development as public benefits for the Lockhart community; and

WHEREAS, Gaslight-Baker Theatre has been identified in the proposed Lockhart Cultural District application as the Cultural District Management Entity (“CDME”); and

WHEREAS, the proposed Lockhart Cultural District is supported by local arts, cultural, heritage, tourism, business, and community organizations working to strengthen Lockhart’s cultural identity and visitor economy; and

WHEREAS, the Texas Commission on the Arts (“TCA”) has advised that Cultural Districts are managed by a single nonprofit organization or governmental entity serving as the Cultural District Management Entity; and

WHEREAS, the City desires to support the proposed Cultural District through coordination, tourism promotion, and potential partnership opportunities while preserving the independent management role of the CDME and clarifying that the City is not assuming operational control or legal responsibility for the Cultural District unless separately authorized by the City Council; and

WHEREAS, the parties desire to establish a cooperative framework regarding City support, district management responsibilities, use of City resources and branding, public trust standards, reporting expectations, and coordination related to the proposed Cultural District;

NOW, THEREFORE, the parties agree as follows:

1. PURPOSE AND NATURE OF AGREEMENT

The purpose of this MOU is to establish the City’s support for the proposed Lockhart Cultural District while clarifying the respective roles, responsibilities, and expectations of the City and the CDME.

The parties recognize the proposed Lockhart Cultural District as a community-driven initiative intended to support cultural tourism, historic preservation, arts and cultural programming, visitor engagement, downtown vitality, and economic development in Lockhart.

This MOU is intended to document mutual understanding and cooperation between the City and the CDME. It does not create a legal partnership, joint venture, employment relationship, or agency relationship between the parties.

Nothing in this MOU obligates the City to assume ownership, management, reporting responsibility, financial responsibility, operational control, or administrative authority over the Cultural District unless separately approved by the City Council.

2. BACKGROUND AND TCA FRAMEWORK

The Lockhart Cultural District application identifies Gaslight-Baker Theatre as the proposed Cultural District Management Entity (“CDME”). The proposed district is supported by participating arts, cultural, heritage, tourism, and community organizations, including but not limited to Gaslight-Baker Theatre, Spellerberg Projects, KLKT 107.9 FM, Courthouse Nights Corp., Soundwaves Art Foundation, and the Lockhart Initiative for Tourism.

The City has supported the planning process and recognizes the potential value of the Cultural District as a tool to strengthen Lockhart’s cultural identity, visitor economy, downtown revitalization, arts ecosystem, and quality of life.

The parties acknowledge that a Texas Cultural District designation through TCA is intended to promote tourism, cultural activity, historic preservation, economic development, and community identity within a defined geographic area.

The parties further acknowledge that TCA’s Cultural District framework contemplates district management through either a governmental entity or an eligible nonprofit organization serving as the Cultural District Management Entity.

TCA has advised that, from TCA’s perspective, the CDME is always a single nonprofit organization or governmental entity, not a coalition. Accordingly, Gaslight-Baker Theatre, as the identified CDME, is responsible for managing, developing, and reporting on the Cultural District unless and until that role is formally changed through TCA’s applicable process and in accordance with this MOU.

The parties recognize that utilizing a nonprofit CDME may provide operational, programming, fundraising, grant, and community partnership advantages that support the long-term success of the Cultural District while allowing the City to remain a supportive municipal partner focused on tourism coordination, public infrastructure, downtown planning, visitor engagement, and related governmental functions.

The parties further acknowledge that the proposed Cultural District is intended to operate as a collaborative community-based initiative involving participating arts, cultural, heritage, tourism, business, and community stakeholders rather than as a standalone City department or City-operated program.

3. CITY AND CDME ROLES

A. City Support

The City supports the CDME's pursuit of Cultural District designation and may, subject to City policies, budget availability, legal requirements, and necessary approvals, provide support in the following ways:

- a. Providing letters or resolutions of support for the Cultural District application;
- b. Coordinating with the CDME on tourism strategy, downtown revitalization, visitor experience, and cultural tourism promotion;
- c. Assisting with visitor data, tourism metrics, Hotel Occupancy Tax information, or other statistical data where available and appropriate;
- d. Reviewing and approving, where required, district signage, wayfinding, banners, public-facing installations, or other materials proposed for City property or public rights-of-way;
- e. Considering eligible funding requests through established City processes, including Hotel Occupancy Tax funding where applicable; and
- f. Coordinating district-related information with the City's Downtown and Tourism Department and other visitor-facing resources.

The City's support under this MOU is intended to strengthen the Cultural District application and future district coordination without shifting CDME responsibilities to the City.

B. CDME Responsibilities

The CDME shall be responsible for:

- a. Serving as the official Cultural District Management Entity unless formally changed through TCA's applicable process and in accordance with this MOU;

- b. Managing, developing, and reporting on the Cultural District in accordance with TCA requirements;
- c. Coordinating with participating arts, cultural, heritage, tourism, and community organizations, as well as the City's Tourism Advisory Board and Downtown and Tourism Department where appropriate;
- d. Maintaining appropriate nonprofit status, governance records, meeting records, financial records, and conflict-of-interest policies;
- e. Preparing and submitting required TCA reports, updates, applications, and documentation;
- f. Maintaining communication with the City regarding major district activities, funding requests, signage plans, boundary changes, and public-facing initiatives;
- g. Ensuring that official district-level communications and initiatives remain broadly civic, inclusive, nonpartisan, and aligned with the tourism and public benefit purposes of the Cultural District; and
- h. Not representing that the City owns, manages, funds, or controls the Cultural District unless expressly authorized in writing by the City.

C. Coordination with City Tourism Structure

The parties acknowledge that the City has established a Tourism Advisory Board and Downtown and Tourism Department pursuant to Chapter 65 of the City of Lockhart Code of Ordinances.

The CDME may coordinate with the Tourism Advisory Board, Downtown and Tourism Department, and participating community organizations regarding tourism promotion, cultural programming, visitor engagement, district marketing, wayfinding, and related initiatives associated with the proposed Cultural District.

The City Manager may designate a City representative, including the Downtown and Tourism Director, to serve as a liaison to the CDME for coordination and communication purposes.

Nothing in this MOU shall be construed as granting the City, Tourism Advisory Board, or Downtown and Tourism Department authority over the governance, bylaws, internal operations, or nonprofit affairs of the CDME as an independent nonprofit organization. However, the City retains oversight authority related to the CDME's role, responsibilities, use of City-supported resources or branding, and compliance with the provisions, standards, approvals, and obligations established under this MOU and applicable law. Nothing herein

shall be construed as granting the CDME authority over City boards, commissions, departments, operations, or governmental functions.

4. FUNDING, GRANTS, AND USE OF CITY RESOURCES

TCA has advised that eligible arts nonprofits located within a designated Cultural District may qualify for Cultural District project funding opportunities for projects occurring within the district and including a tourism component, subject to TCA eligibility requirements.

TCA has further advised that the district manager may apply for district-wide projects, including signage, wayfinding, banners, or district marketing, subject to applicable eligibility and funding requirements.

The CDME shall make reasonable efforts to share relevant Cultural District grant information with eligible organizations located within the district and shall not represent that Cultural District-related opportunities are limited only to participating organizations unless required by TCA or another grant-making entity.

The CDME shall obtain written City approval before naming the City as a partner, fiscal agent, funding source, property owner, responsible party, or required participant in any grant application.

This MOU does not obligate the City to provide funding, staff support, equipment, facilities, insurance, maintenance, sponsorships, or other resources.

Any request for City funding, including Hotel Occupancy Tax funding, shall remain subject to applicable law and the City's established application, review, budget, procurement, ethics, conflict-of-interest, and approval processes, as may be amended.

Any use of City staff time, City property, City equipment, City sponsorship, City funding, or public infrastructure must be approved in advance by the City Manager or designee and, where required, by City Council.

5. SIGNAGE, BRANDING, AND PUBLIC REPRESENTATIONS

The parties acknowledge that signage, wayfinding, banners, public art, district branding, and district markers may be important tools for establishing the public identity of the Cultural District.

The CDME shall obtain prior written approval from the City before installing, placing, displaying, or modifying any Cultural District signage, banners, wayfinding elements, public art, temporary installations, or district markers on:

- a. City-owned property;

- b. Public rights-of-way;
- c. Streets, sidewalks, light poles, traffic control devices, parks, plazas, or public buildings;
or
- d. Any location requiring City permit, inspection, maintenance, or approval.

The City shall retain final authority over design approval, placement, installation, duration, maintenance, removal, public safety, ADA/accessibility considerations, and compatibility with City standards for any signage or district marker located on City property or within the public right-of-way.

Nothing in this MOU grants permission for the CDME to install signage or use City infrastructure without the required approvals.

The CDME may reference the City’s support of the Cultural District application after the City has issued a formal letter, resolution, or other written statement of support.

The CDME shall not use the City’s official seal, logo, letterhead, branding, or other official marks without prior written approval.

The CDME shall not represent that the City has approved specific programs, political positions, expenditures, signage, grants, public statements, or advocacy positions unless such approval has been expressly granted in writing.

6. PUBLIC TRUST, ETHICS, AND COMMUNITY STANDARDS

A. Public Purpose and Neutrality

Because the Cultural District will carry the Lockhart name and may be publicly associated with the City, the CDME agrees that official district-level communications, district branding, official district programming, events, activities, City-supported materials, and City-funded activities shall remain consistent with broad public cultural, educational, tourism, historic preservation, and economic development purposes.

The CDME shall not use official district-level communications, district branding, official district programming, events, activities, resources, City-supported materials, and/or City-funded activities for:

- a. Partisan political activity;
- b. Endorsement or opposition of candidates for public office;
- c. Campaign activity;
- d. Discriminatory activity;

- e. Activities inconsistent with applicable federal, state, or local law; or
- f. Public or private communications or activities that imply endorsement of a political, ideological, religious, or advocacy position, or that involve obscene and/or sexually oriented content, or programming inconsistent with generally applicable City standards for family-friendly public events and community programming.

B. Community Standards and Artistic Expression

Nothing in this MOU is intended to limit lawful artistic expression by individual artists, performers, organizations, or venues operating independently of official Cultural District messaging or City-supported programming.

However, nothing in this MOU shall be construed as requiring the City to sponsor, endorse, fund, promote, approve, or publicly associate itself with content, displays, performances, exhibitions, or programming that the City determines to be obscene, sexually oriented, discriminatory, unlawful, or otherwise inconsistent with the City’s generally applicable standards for family-friendly public programming, use of public property, tourism promotion, or community events serving a broad public audience.

C. Conflicts of Interest and Private Benefit

The parties acknowledge that the proposed Cultural District is intended to serve a broad public tourism, cultural, educational, historic preservation, and economic development purpose benefiting the greater Lockhart community.

The CDME agrees that the Cultural District designation, City support, City association, and any City-supported resources or opportunities shall not be used primarily for the personal financial gain, private commercial advantage, preferential treatment, or improper benefit of any individual, board member, officer, employee, volunteer, affiliated organization, business, donor, sponsor, contractor, or related party.

The CDME shall make reasonable efforts to administer Cultural District-related activities, partnerships, sponsorships, marketing opportunities, event participation, public communications, and grant-related coordination in a fair, transparent, and community-oriented manner.

No officer, board member, employee, contractor, or affiliated party of the CDME shall use the Cultural District designation or representations of City support to improperly secure preferential treatment, exclusive access, financial opportunities, endorsements, sponsorship advantages, permitting advantages, or public benefits unavailable to similarly situated organizations or businesses.

The CDME shall not condition participation in Cultural District activities, marketing, partnerships, district promotion, or access to publicly promoted opportunities on political support, personal relationships, financial contributions, or affiliation with any specific organization or individual.

D. Inclusivity and Community Representation

The CDME shall make reasonable efforts to ensure that the Cultural District reflects and welcomes the broader Lockhart community, including longtime residents, new residents, Hispanic/Latino residents, working artists, youth, families, downtown businesses, heritage organizations, and cultural traditions.

The CDME is encouraged to maintain inclusive outreach practices, support bilingual or accessible public-facing materials where appropriate, and coordinate with community organizations that represent Lockhart's diverse cultural identity.

E. Remedies and Corrective Actions

In the event the City determines that the CDME has used the Cultural District designation, district branding, official district programming, events, activities, City-supported materials, City branding, City-approved signage, or representations of City support in a manner inconsistent with this MOU or applicable law, the City may provide written notice describing the concern and requesting corrective action.

If the issue is not timely corrected to the reasonable satisfaction of the City, the City may:

- a. Require removal or discontinuation of unauthorized or noncompliant materials, branding, signage, or communications;
- b. Revoke authorization for use of City logos, branding, sponsorship references, or other City-supported representations;
- c. Suspend or discontinue City participation, coordination, sponsorship, promotional support, or use of City resources related to the applicable activity or initiative;
- d. Deny or discontinue discretionary City funding or partnership support associated with the applicable activity, subject to applicable law and City policy; and/or
- e. Treat repeated or material violations of this MOU as grounds for termination pursuant to the termination provisions herein.

Nothing in this Section shall be construed as granting the City editorial control over artistic expression or independently produced content that is not presented as official Cultural District messaging or City-supported communication.

7. REPORTING, DATA SHARING, AND DISTRICT OVERSIGHT

The CDME shall provide the City with an annual Cultural District update, which may include:

- a. A copy of the annual TCA report or summary submitted to TCA;
- b. A summary of district coordination activities and participating organizations;
- c. Visitor tracking data, where available;
- d. Event attendance estimates, where available;
- e. Marketing metrics, where available;
- f. Grant applications and grant awards related to the Cultural District;
- g. Signage, wayfinding, or public infrastructure updates;
- h. Any proposed boundary or governance changes;
- i. Requests for City assistance in the upcoming year; and
- j. Any known issues affecting district continuity or compliance.

The City may provide visitor data, tourism statistics, Hotel Occupancy Tax information, or other relevant data where available and appropriate to support Cultural District reporting and evaluation.

8. DISTRICT CONTINUITY AND SUCCESSOR MANAGEMENT

The parties acknowledge the importance of continuity if the CDME becomes unable or unwilling to fulfill its responsibilities, or if this MOU is terminated while the Cultural District designation remains active.

If the CDME dissolves, becomes inactive, loses required nonprofit status, no longer has the capacity or desire to manage the Cultural District, or if this MOU is terminated, the CDME shall notify the City in writing as soon as practicable and shall cooperate in good faith with the City and the Texas Commission on the Arts (“TCA”) regarding continuity planning and any potential transition of Cultural District Management Entity responsibilities in accordance with this MOU and applicable TCA requirements.

In such event, the CDME and City may work cooperatively with TCA and district stakeholders to identify an appropriate successor management entity, which may include another eligible nonprofit organization, governmental entity, or the City, subject to City Council approval.

Nothing in this MOU obligates the City to become the successor CDME or to assume management of the Cultural District.

9. DISTRICT BOUNDARIES

The CDME shall notify the City before submitting any proposed change to the Cultural District boundary to TCA or any other entity.

Any proposed boundary change affecting City planning, public property, downtown development, tourism strategy, signage, or infrastructure should be reviewed with the City before submission and shall not conflict with applicable federal, state, and local laws, regulations, ordinances, policies, permitting requirements, and governmental standards.

10. TERM, TERMINATION, AND AMENDMENT

This MOU shall become effective upon approval and signature by both parties and shall remain in effect for an initial term of three years unless terminated earlier by either party.

Either party may terminate this MOU with thirty (30) days’ written notice to the other party.

Termination of this MOU does not necessarily terminate the Cultural District designation, the CDME’s relationship with TCA, or any independent obligations the CDME may have to TCA.

Upon termination, the CDME shall cease representing an active formal partnership with the City unless otherwise authorized in writing. If the Cultural District designation is to remain active following termination of this MOU, the CDME shall cooperate in good faith with the City and TCA regarding transfer of the Cultural District Management Entity designation in accordance with Section 8 of this MOU and TCA requirements.

This MOU may be amended only by written agreement signed by authorized representatives of both parties.

11. GENERAL PROVISIONS

Nothing in this MOU shall be construed as a waiver of the City’s governmental immunity, sovereign immunity, statutory protections, or defenses under Texas law.

NOTICES AND POINTS OF CONTACT

For the City:

Tiffany Hutchinson-Padilla
Downtown & Tourism Director
City of Lockhart
215 E. Market Street, Lockhart TX
(737) 357-7458
tpadilla@lockhart-tx.org

For the CDME:

Gaslight-Baker Theatre
Attn: _____
Cultural District Committee Chair
216 South Main Street, Lockhart TX
Phone: _____
Email: _____

SIGNATURES

CITY OF LOCKHART, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

GASLIGHT-BAKER THEATRE

By: _____

Name: _____

Title: _____

Date: _____

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Presentation from NewGen Strategies & Solutions regarding the City's electric rate study and discussion regarding a proposed five-year electric utility rate plan.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Howard

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: NewGen Strategies & Solutions completed an electric rate study for the City of Lockhart Electric Utility to evaluate revenue requirements, cost of service, rate design, and long-term financial sustainability of the electric system.

The study includes recommendations for a proposed five-year rate strategy intended to improve revenue adequacy, increase fixed-cost recovery, align customer classes more closely with cost of service principles, and support the long-term financial stability of the electric utility system. The proposed rate plan also includes phased implementation of rate adjustments intended to minimize customer impacts and avoid rate shock.

NewGen Strategies & Solutions will provide a presentation of the study findings and recommendations, including proposed rate adjustments for residential, commercial, demand, and contract customer classes, as well as discussion related to future utility financial planning and capital needs. If approved, proposed rate adjustments are recommended to begin with the second billing cycle in November 2026, consistent with previous rate adjustments in the water and wastewater utilities.

If Council provides direction to proceed with the proposed rate plan, staff will return at a future meeting with an ordinance establishing the proposed electric rates and implementation schedule.

PROJECT SCHEDULE (if applicable): Proposed phased implementation: FYE 2027 – FYE 2031.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The proposed rate strategy is intended to support long-term financial stability and revenue adequacy for the City's electric utility system.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: City of Lockhart_COS and Rates Presentation



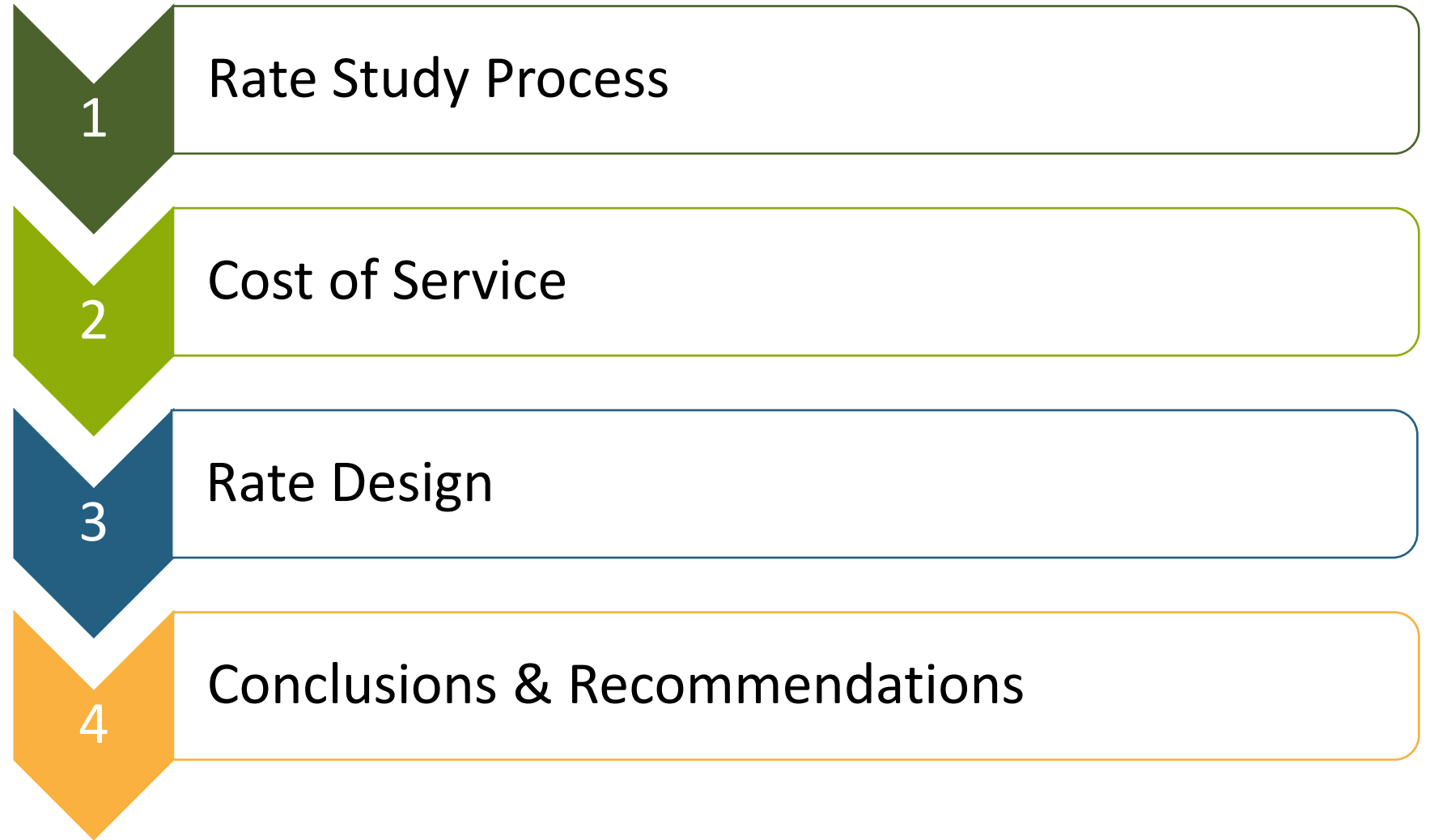
June 2, 2026

CITY OF LOCKHART, TEXAS ELECTRIC RATE STUDY

CITY OF
Lockhart
TEXAS

NewGen
Strategies & Solutions

AGENDA





RATE STUDY PROCESS

WHY CONDUCT A RATE STUDY?

- Understand the utility's costs and drivers:
 - Different costs to serve different customer classes.
- Set rates to collect sufficient revenue:
 - Fair and equitable.
 - Fixed-cost recovery.
 - Send the customer pricing signals.
 - Understand effects on customers.
- Defensible rates:
 - Industry standard methods.

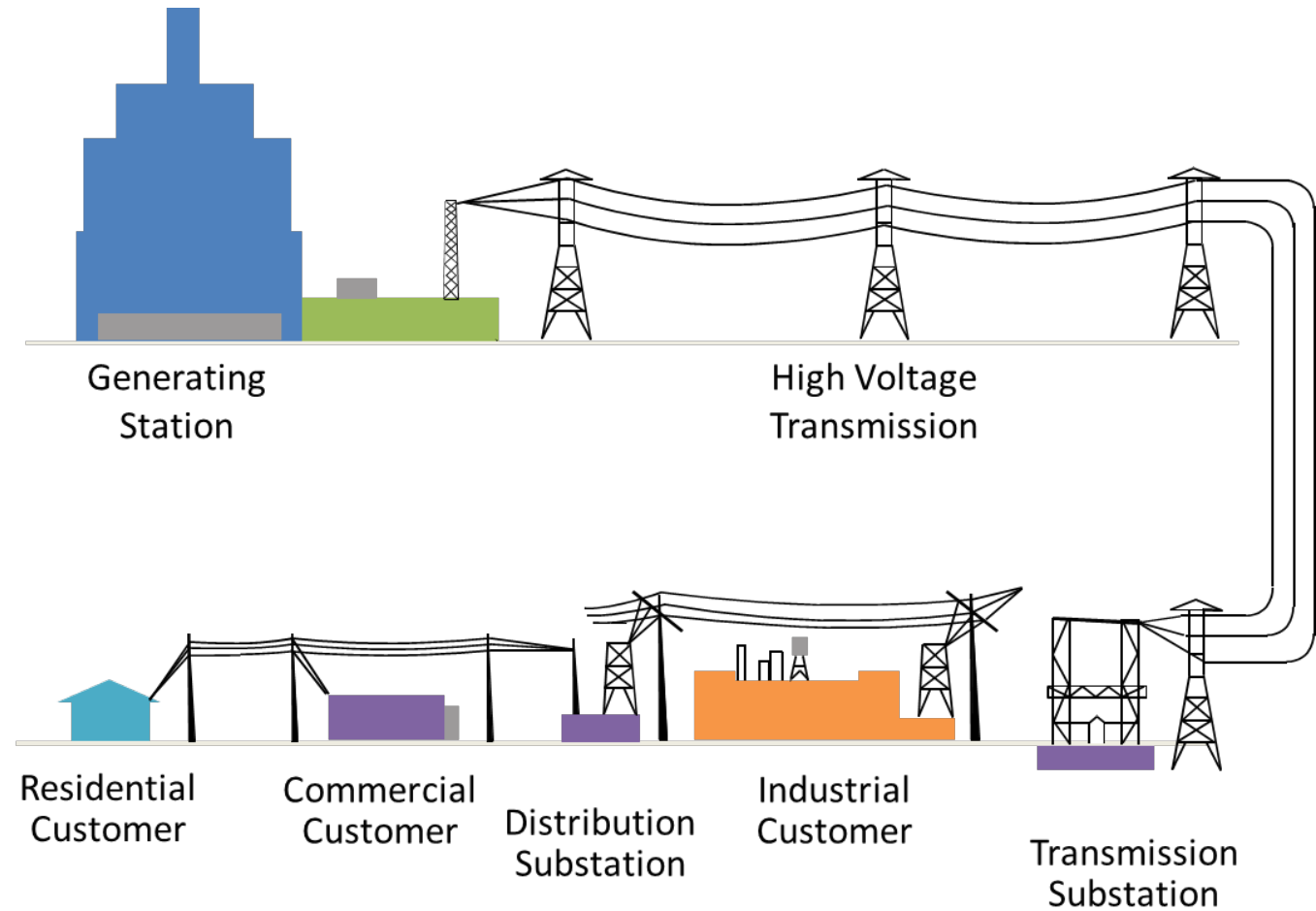
WHEN TO CONDUCT A RATE STUDY?

- Cash reserve issues.
- Changes in customer load (large customer, electrification, distributed generation).
- Change in power supply (utility-owned, contract, market).
- Change in capital plan/funding needs.
- Change in operating costs.
- Change in technology (advanced metering infrastructure).
- Length of time since last study:
 - Industry standard is typically every three to five years.



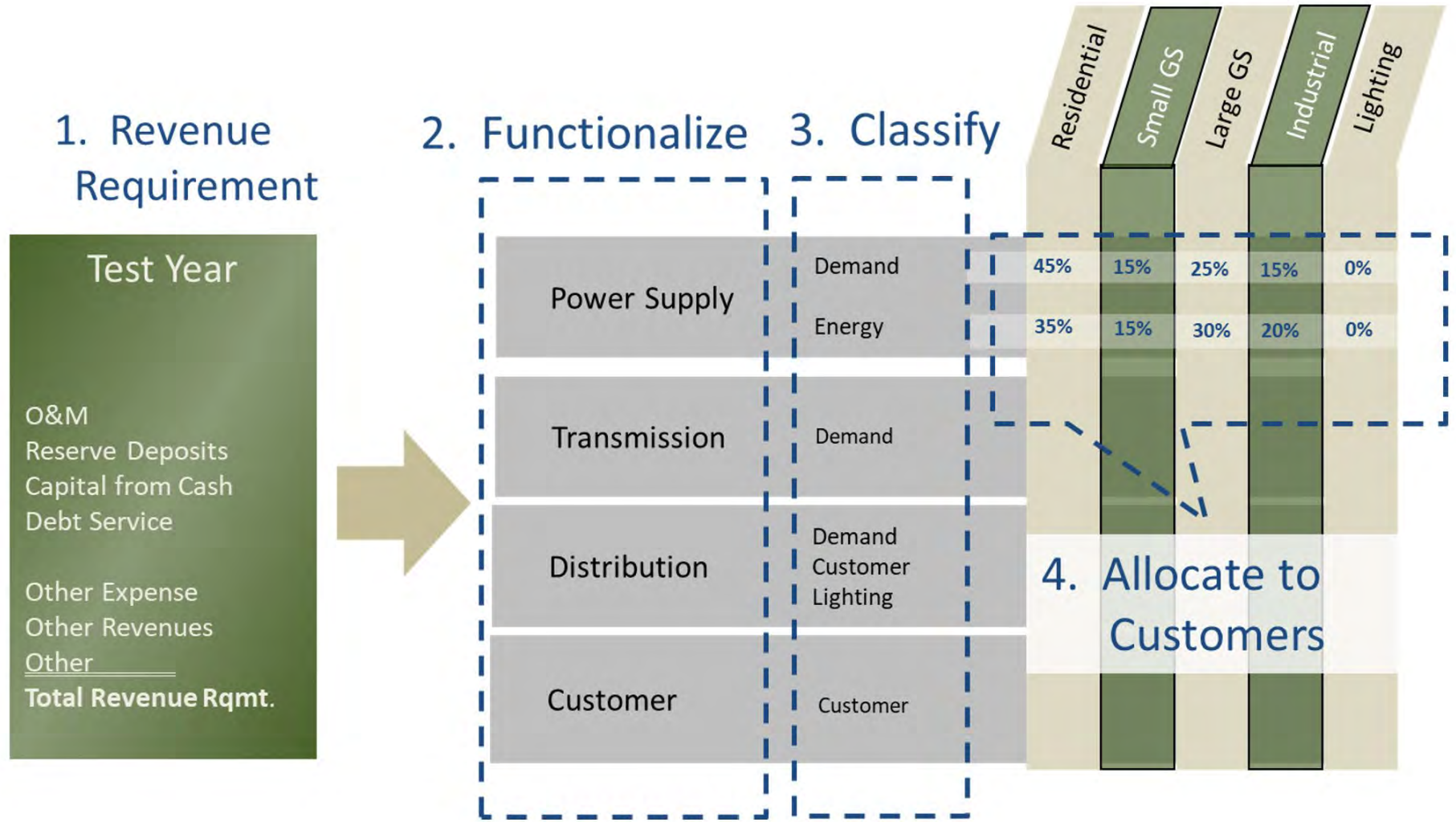
COST OF SERVICE

SERVICES PROVIDED TO CUSTOMERS



- Where does the customer take power on the system (voltage)?
- When does the customer use power (customer load profile)?

COST OF SERVICE MODEL DESIGN



Generic example, not specific to the City.

REVENUE REQUIREMENT

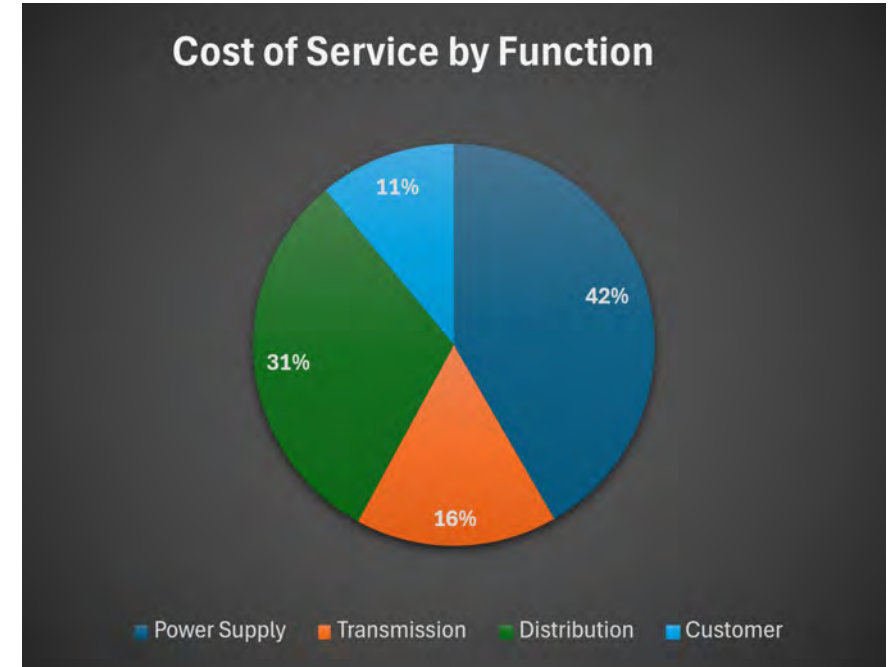
Component	Amount (\$000)
Operations and Maintenance (O&M)	
Non-Departmental	\$9,309
Distribution	\$2,047
Utility Billing	\$1,558
Total O&M	\$12,914
Capital Outlay	\$1,128
Debt Service	\$71
General Fund Transfer	\$2,605
Other (Income)/Expenses	(\$848)
Revenue Requirement	\$15,870

Note: Revenue Requirement is based on an average of fiscal year (FY) 2027 through FY 2031.

COST OF SERVICE: FUNCTIONALIZED

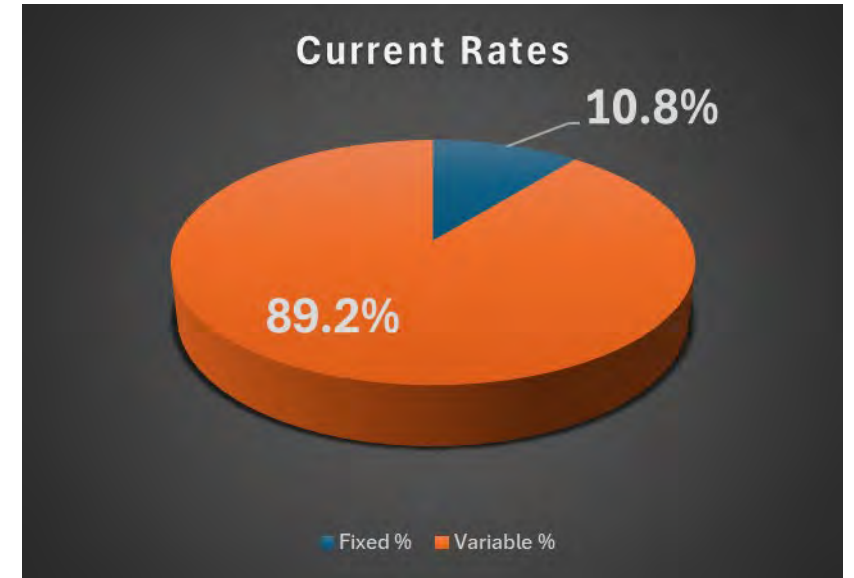
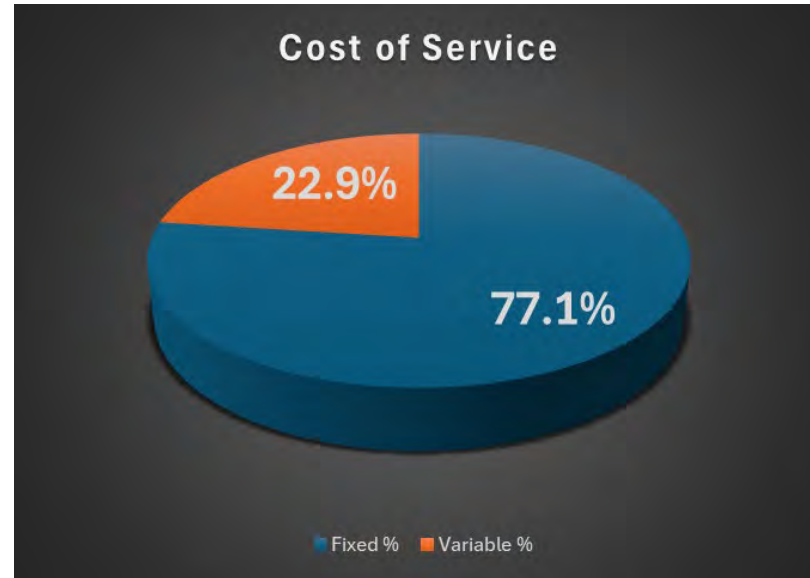
Cost of Service Function	Amount (\$000)	\$/kWh (sales)	% of Total
Power Supply	\$6,611	\$0.05058	42%
Transmission	\$2,582	\$0.01976	16%
Distribution	\$4,928	\$0.03771	31%
Customer	\$1,749	\$0.01338	11%
Revenue Requirement	\$15,870	\$0.12143	100%

Note: Transmission, Distribution, Customer, and a portion of Power Supply costs are primarily fixed in nature and do not vary with changes in energy consumption.



COST OF SERVICE

Fixed versus Variable Cost Recovery



Cost of Service Function	Cost Classifications
Power Supply	Demand-Related, Energy-Related
Transmission	Demand-Related
Distribution	Demand-Related, Customer-Related, Direct Assignments
Customer Service	Customer-Related

COST OF SERVICE RESULTS

Class	Cost of Service (\$000)	Test Year Revenues at Current Rates (\$000)	Over/(Under) Cost Recovery (\$000)	% Over/(Under) Cost Recovery
Residential	\$9,728	\$8,572	(\$1,156)	(11.9%)
General Service	\$2,315	\$2,394	\$80	3.4%
General Service Demand	\$2,976	\$3,420	\$444	14.9%
Contract Rates	\$851	\$914	\$63	7.4%
Total	\$15,870	\$15,301	(\$569)	(3.6%)



RATE DESIGN

COST OF SERVICE TO RATE DESIGN

Cost of Service

- Revenue Requirement
- Functionalize
- Classify
- Allocate

Guide for cost-based rates

Ratemaking

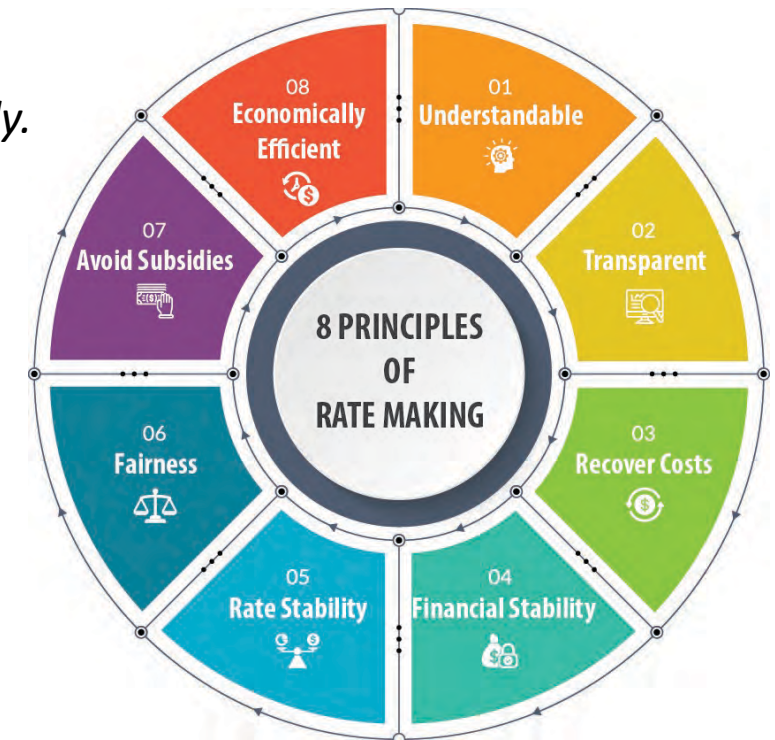
- Policy decisions
- Incentivize behavior
- Rates do not always match cost of service (but should be informed by cost of service)

Rates

- Collect sufficient revenue
- Support community goals
- Support utility goals
- Price signal to customers:
 - Convey information
 - Change behavior

BONBRIGHT'S PRINCIPLES OF PUBLIC UTILITY RATES

- *Bonbright's Principles of Public Utility Rates:
 1. *Practical, readily understandable, acceptable, and feasible to apply.*
 2. *Uncontroversial as to interpretation.*
 3. *Effective in meeting revenue requirements.*
 4. *Stable from a revenue perspective.*
 5. *Stable from a rate perspective.*
 6. *Fairness among customer classes.*
 7. *Avoidance of undue discrimination.*
 8. *Economically efficient, discouraging wasteful use of services and promoting optimal offerings of services.*
- Acknowledge important role rate design plays in signaling desired behavior.



* Bonbright, "Principles of Public Utility Rates", Columbia University Press (1st ed., 1961).

RATE DESIGN APPROACH

- Set rates to recover costs by the end of five-year period (2027–2031).
- Adjust rates to bring customer classes toward cost of service.
- Continue Capital Improvement Rate (CIR) Charge at current levels.
- Rate Mitigation Charge (RMC) not included in Study – expected to continue working as net-zero rate mitigation in each FY.
- Increase fixed-cost recovery of each class.
- Combine Contract A and B rates by the end of the five-year period.
- Gradually adjust rates over the five-year period to avoid rate shock.

RESIDENTIAL CUSTOMER CLASS - PROPOSED RATES

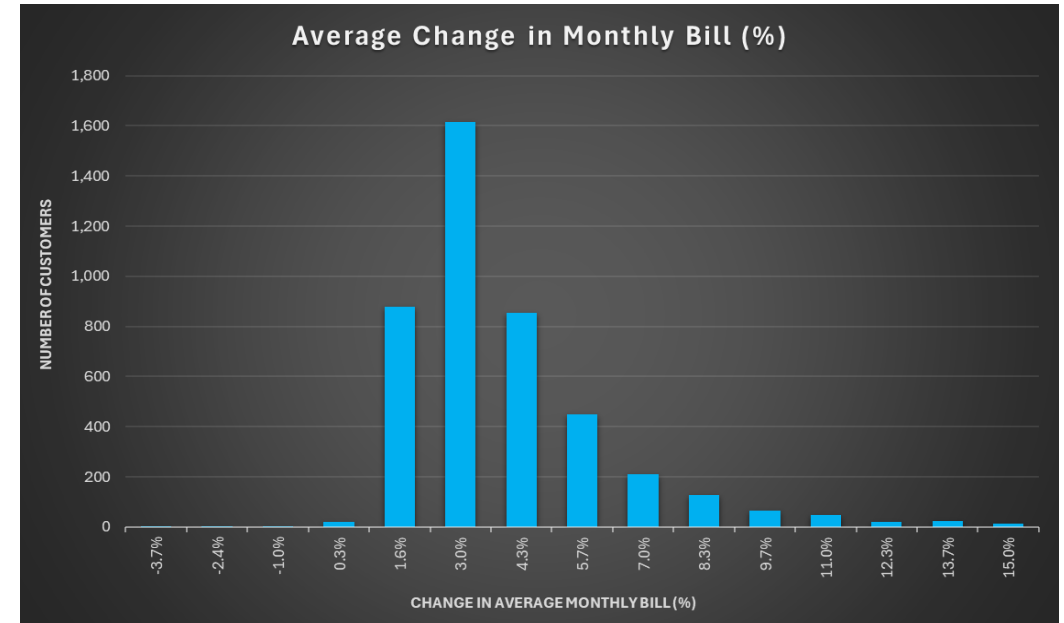
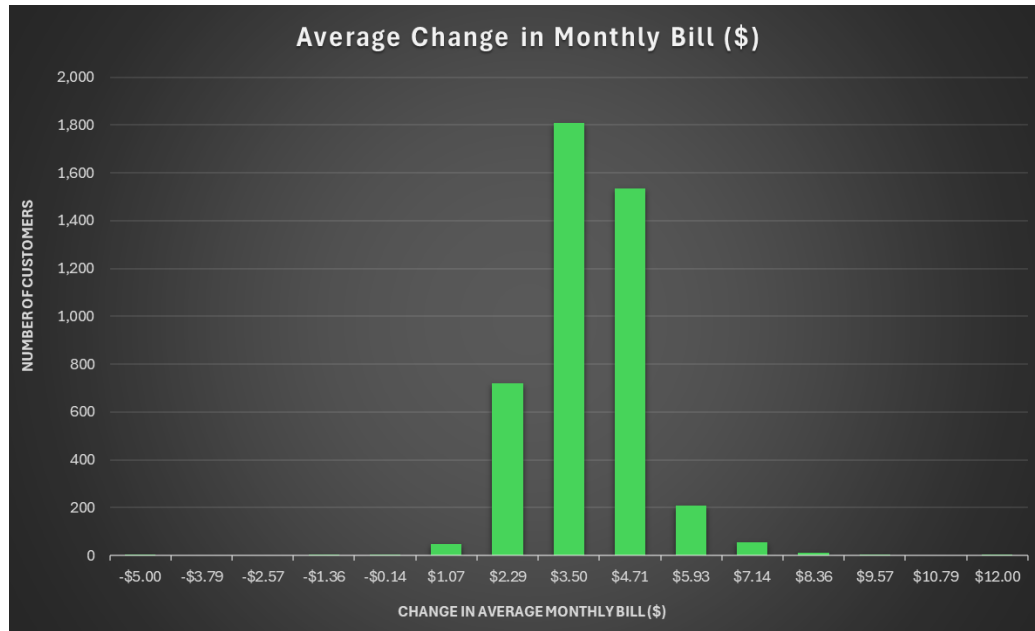
Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$0.01896	\$0.02465	\$0.02539	\$0.02666
Tier 2 (+1,200 kWh)	\$0.03250	\$0.04225	\$0.04352	\$0.04570
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050

RESIDENTIAL CUSTOMER CLASS- MONTHLY BILL

Rate Component ⁽¹⁾	Current Bill	Phase 1 Bill	Phase 2 Bill	Phase 3 Bill
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$22.75	\$29.58	\$30.47	\$31.99
Tier 2 (+1,200 kWh)	\$ -	\$ -	\$ -	\$ -
Capital Improvement Rate (CIR)(\$/kWh)	\$2.70	\$2.70	\$2.70	\$2.70
Regulatory Charge (REG) (\$/kWh)	\$0.60	\$0.60	\$0.60	\$0.60
Purchased Power Cost (PPC) (\$/kWh)	\$92.48	\$81.82	\$83.06	\$84.32
Monthly Bill (1,200 kWh)	\$129.85	\$130.70	\$133.83	\$139.61
Change from Prior Phase (%)		0.6%	2.4%	4.3%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

RESIDENTIAL BILLING IMPACTS CURRENT TO PHASE 1

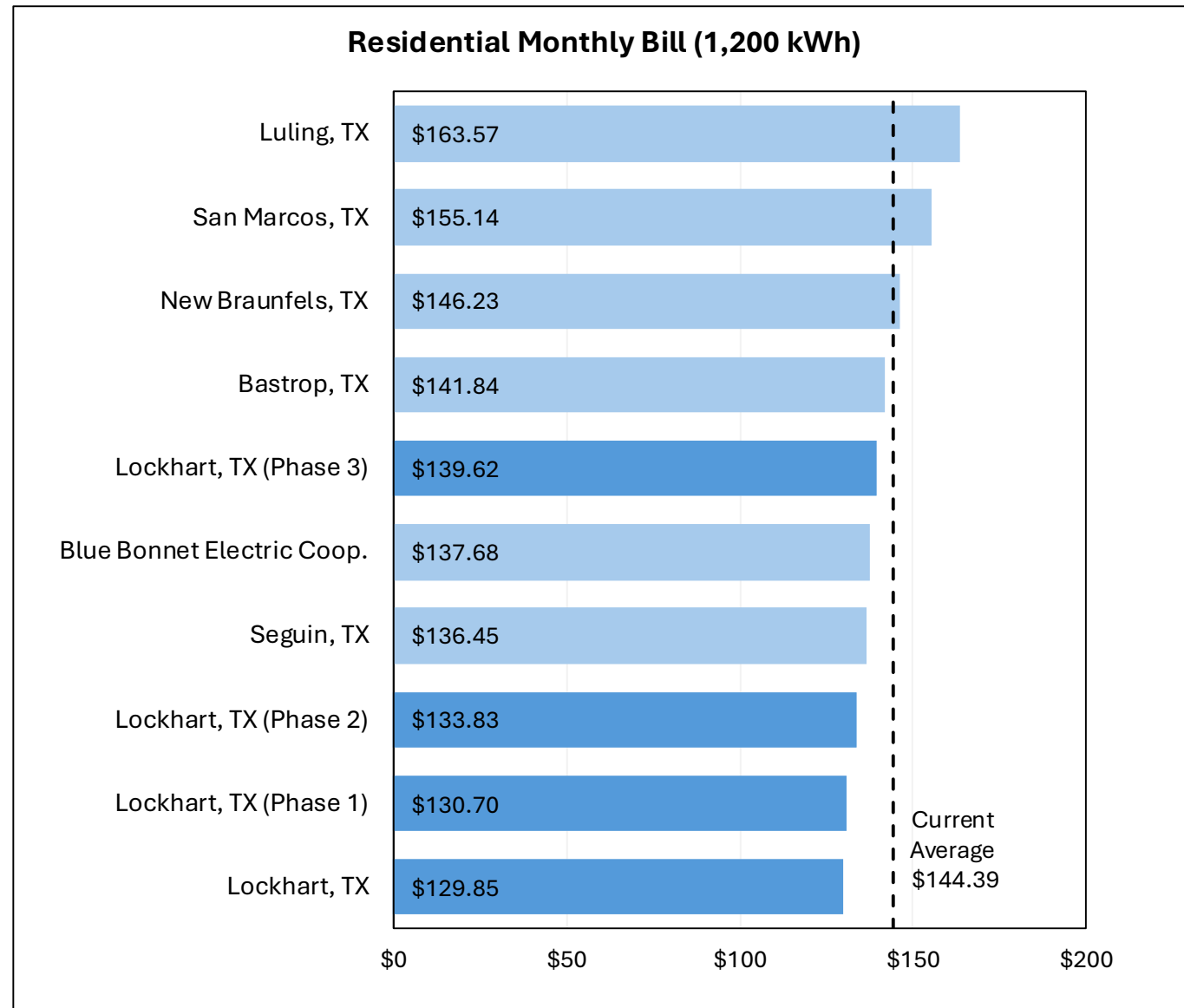


Median Impact (\$): **\$3.23**

Median Impact (%): **2.6%**

Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

RESIDENTIAL BENCHMARKING



Assumes the same pass-through of PPCs for all other utilities.

GENERAL SERVICE CLASS – PROPOSED RATES

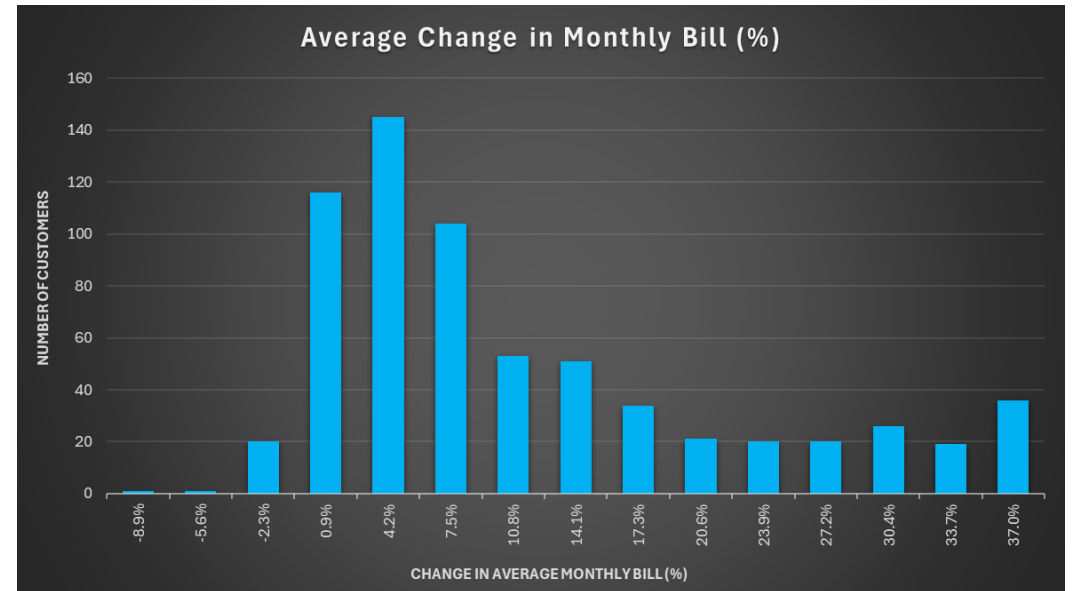
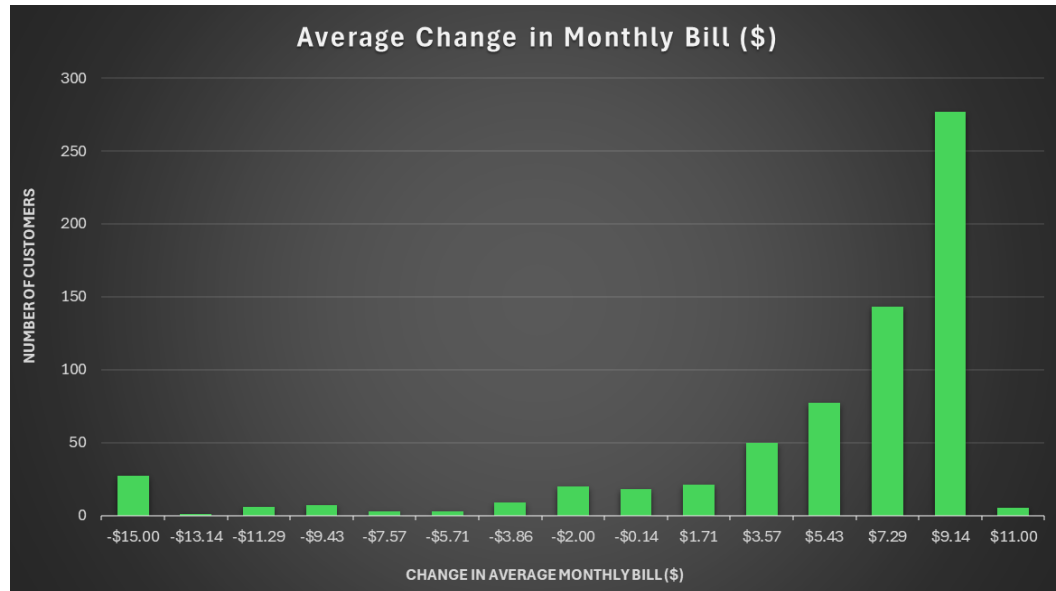
Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 6,000 kWh)	\$0.03582	\$0.04119	\$0.04119	\$0.04119
Tier 2 (+6,000 kWh)	\$0.00250	\$0.00288	\$0.00288	\$0.00288
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050

GENERAL SERVICE CLASS – MONTHLY BILL

Rate Component ⁽¹⁾	Current Bill	Phase 1 Bill	Phase 2 Bill	Phase 3 Bill
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$60.89	\$70.02	\$70.02	\$70.02
Tier 2 (+1,200 kWh)	\$ -	\$ -	\$ -	\$ -
Capital Improvement Rate (CIR)(\$/kWh)	\$3.83	\$3.83	\$3.83	\$3.83
Regulatory Charge (REG) (\$/kWh)	\$0.85	\$0.85	\$0.85	\$0.85
Purchased Power Cost (PPC) (\$/kWh)	\$131.01	\$115.91	\$117.67	\$119.46
Monthly Bill (1,700 kWh)	\$220.00	\$222.61	\$225.37	\$227.66
Change from Prior Phase (%)		1.2%	1.2%	1.0%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE BILLING IMPACTS CURRENT TO PHASE 1



Median Impact (\$): **\$6.70**

Median Impact (%): **5.5%**

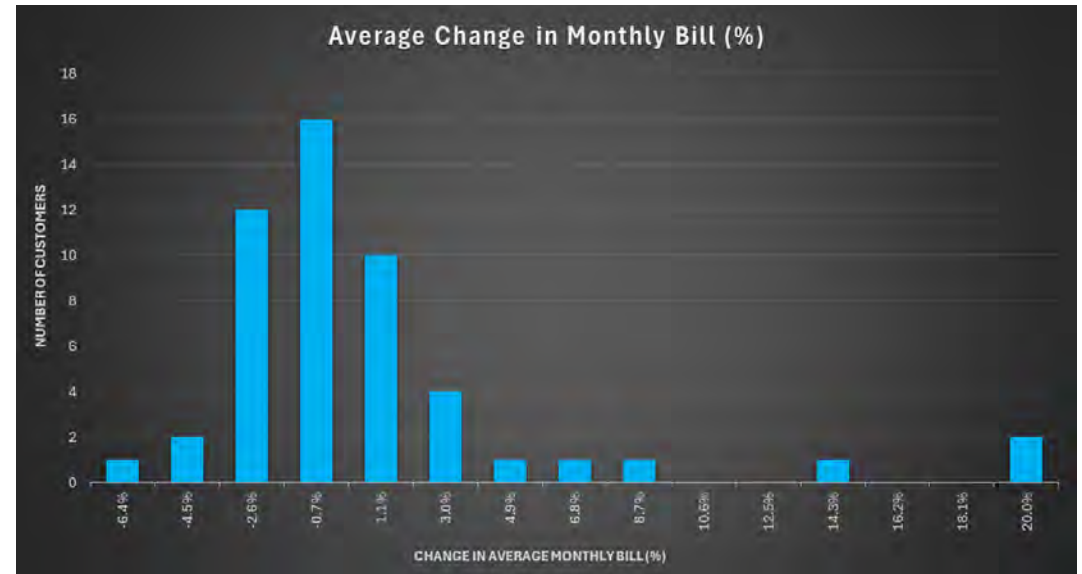
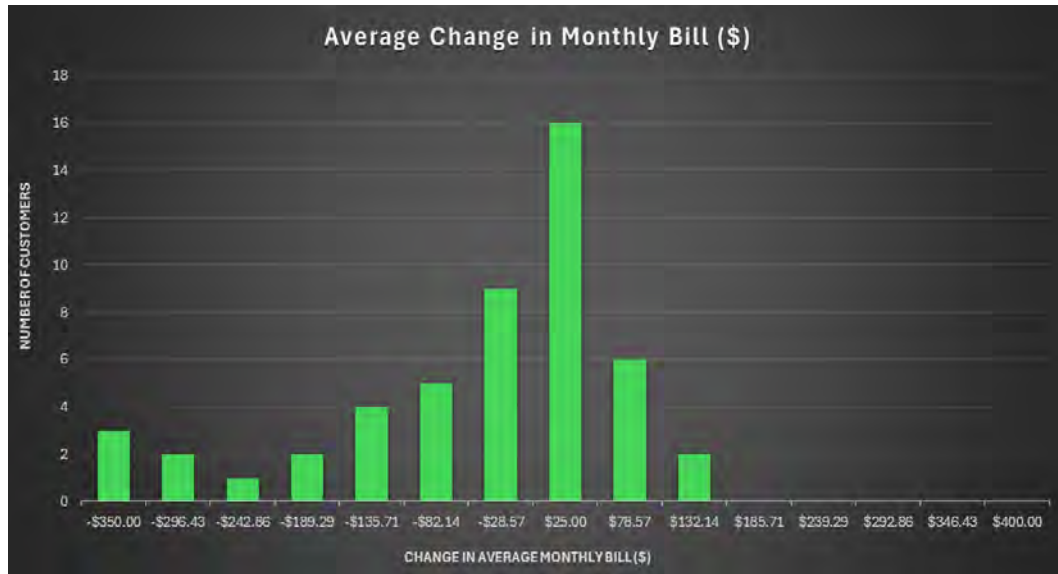
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

GENERAL SERVICE DEMAND CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$33.42	\$47.00	\$47.50	\$47.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 20,000 kWh)	\$0.03288	\$0.03387	\$0.03387	\$0.03387
Tier 2 (20,000+ kWh)	\$0.00250	\$0.00258	\$0.00258	\$0.00258
Demand Charge (\$/kW)	\$5.75	\$7.25	\$7.25	\$7.25
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (27,000 kWh & 100 kW)	\$2,880	\$2,931	\$2,978	\$2,999
Change from Prior Phase (%)		2.0%	0.7%	0.7%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE DEMAND IMPACTS CURRENT TO PHASE 1



Median Impact (\$): **(\$40.89)**

Median Impact (%): **-1.2%**

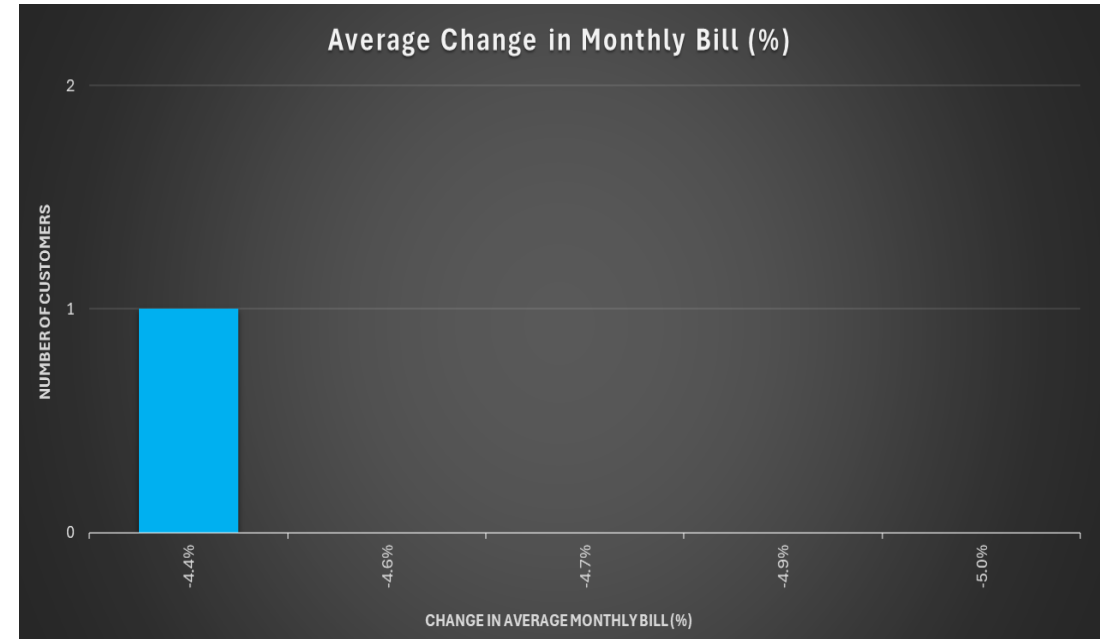
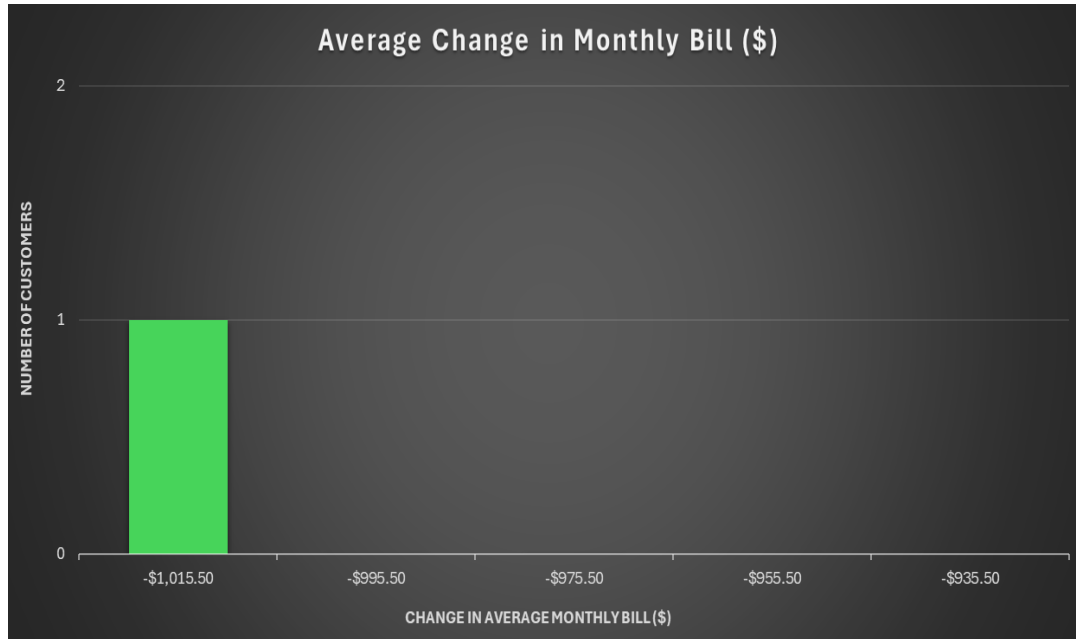
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

CONTRACT RATE A

Rate Component ⁽¹⁾	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 120,000 kWh)	\$0.04599	\$0.05197	\$0.05197	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (160,000 kWh & 400 kW)	\$15,241	\$14,918	\$15,045	\$15,171
Change from Prior Phase (%)		-2.1%	0.8%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT A BILLING IMPACTS CURRENT TO PHASE 1



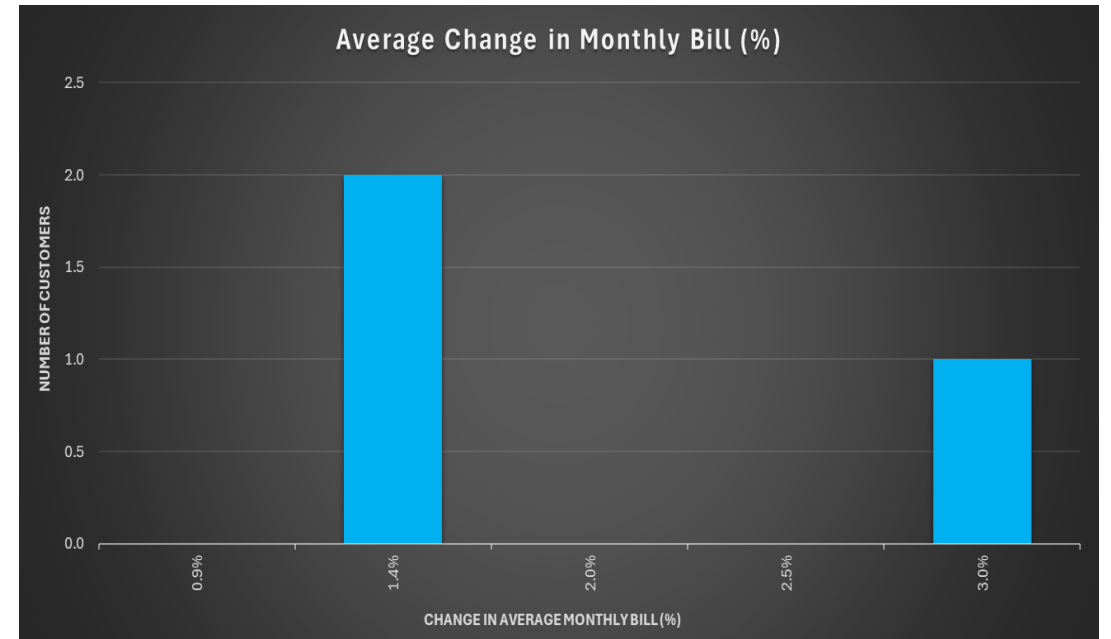
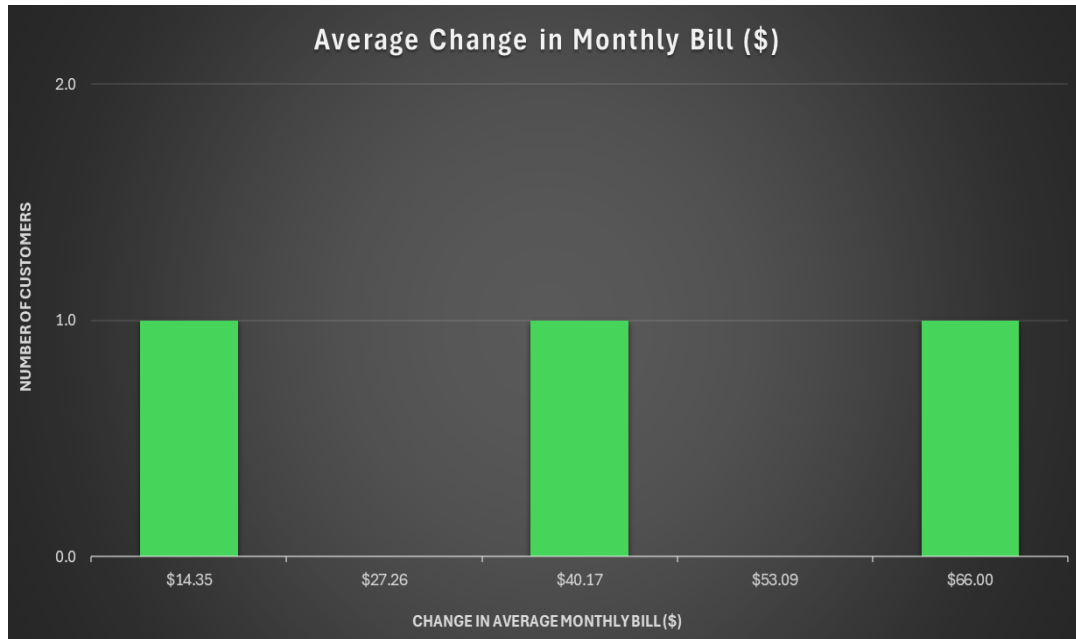
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

CONTRACT RATE B

Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 120,000 kWh)	\$0.02259	\$0.03276	\$0.03931	\$0.04560
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (160,000 kWh & 400 kW)	\$2,604	\$2,649	\$2,841	\$3,024
Change from Prior Phase (%)		1.7%	7.2%	6.5%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT B BILLING IMPACTS CURRENT TO PHASE 1



Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.



CONCLUSIONS & RECOMMENDATIONS

CONCLUSIONS

- The Study confirms that current rates are insufficient to meet the forecasted revenue requirement.
- Equity and fairness considerations suggest moving toward cost-based rates while minimizing customer impacts.
- Contract A and B Rates will be aligned by Year 5 to simplify these rate offerings into one class.
- Overall, the proposed changes will improve revenue adequacy, fairness, fixed-cost recovery, and long-term financial stability for the City of Lockhart.

RECOMMENDATIONS

- Approve the proposed five-year rate strategy to ensure financial stability.
- Continue the Capital Improvement Rate (CIR) at current levels.
- Harmonize the Contract Rates to simplify rate offerings.
- Phase in rate changes gradually to minimize customer impacts and avoid rate shock.
- Continue monitoring financial performance and schedule future rate reviews every three to five years.



QUESTIONS?

NEWGEN STRATEGIES AND SOLUTIONS, LLC
225 UNION BLVD., SUITE 450
LAKWOOD, CO 80228

GRANT RABON, PARTNER
GRABON@NEWGENSTRATEGIES.NET
(512) 900-8232

JACK BUCKLEY, MANAGER
JBUCKLEY@NEWGENSTRATEGIES.NET
(303) 557-7700



APPENDIX

NEWGEN STRATEGIES AND SOLUTIONS, LLC
225 UNION BLVD., SUITE 450
LAKEWOOD, CO 80228

RESIDENTIAL CUSTOMER CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00	\$23.00	\$26.50
Energy Charges (\$/kWh)						
Tier 1 (0 - 1,200 kWh)	\$0.01896	\$0.02465	\$0.02539	\$0.02666	\$0.02853	\$0.03053
Tier 2 (+1,200 kWh)	\$0.03250	\$0.04225	\$0.04352	\$0.04570	\$0.04890	\$0.05232
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (1,200 kWh)	\$129.85	\$130.70	\$133.83	\$139.62	\$146.13	\$153.33
Change from Prior Phase (%)		0.6%	2.4%	4.3%	4.7%	4.9%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50	\$34.00	\$34.00
Energy Charges (\$/kWh)						
Tier 1 (0 – 6,000 kWh)	\$0.03582	\$0.04119	\$0.04119	\$0.04119	\$0.04119	\$0.04119
Tier 2 (+6,000 kWh)	\$0.00250	\$0.00288	\$0.00288	\$0.00288	\$0.00288	\$0.00288
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (1,700 kWh)	\$220.00	\$222.60	\$225.37	\$227.66	\$229.96	\$231.80
Change from Prior Phase (%)		1.2%	1.2%	1.0%	1.0%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE DEMAND CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$33.42	\$47.00	\$47.50	\$47.50	\$47.50	\$47.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 20,000 kWh)	\$0.03288	\$0.03387	\$0.03387	\$0.03387	\$0.03387	\$0.03387
Tier 2 (20,000+ kWh)	\$0.00250	\$0.00258	\$0.00258	\$0.00258	\$0.00258	\$0.00258
Demand Charge (\$/kW)	\$5.75	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (27,000 kWh & 100 kW)	\$2,880	\$2,931	\$2,978	\$2,999	\$3,020	\$3,041
Change from Prior Phase (%)		2.0%	0.7%	0.7%	0.7%	0.7%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT RATE A

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50	\$58.50	\$58.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 120,000 kWh)	\$0.04599	\$0.05197	\$0.05197	\$0.05197	\$0.05197	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (160,000 kWh & 400 kW)	\$15,241	\$14,918	\$15,045	\$15,171	\$15,298	\$15,427
Change from Prior Phase (%)		-2.1%	0.8%	0.8%	0.8%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT RATE B

Rate Component	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50	\$58.50	\$58.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 120,000 kWh)	\$0.02259	\$0.03276	\$0.03931	\$0.04560	\$0.04902	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (160,000 kWh & 400 kW)	\$2,604	\$2,649	\$2,841	\$3,024	\$3,136	\$3,237
Change from Prior Phase (%)		1.7%	7.2%	6.5%	3.7%	3.2%

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discuss Resolution 2026-23 authorizing the City Manager to enter into a Technical Service Agreement with Strand Associates, Inc. for airport planning and technical support services related to the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

Resolution 2026-23 authorizes the City Manager to enter into a three-year Technical Services Agreement with Strand Associates, Inc. to provide airport planning, engineering, and technical support services related to the Lockhart Municipal Airport.

The City has received increasing interest and inquiries related to aviation development opportunities at the airport, including potential commercial and private hangar development, operational improvements, and other airport-related infrastructure projects. As interest in the airport continues to grow, interim technical and planning assistance is needed to support the City's review of development requests in a coordinated, consistent, and strategic manner.

Under the proposed agreement, Strand Associates, Inc. would provide engineering, scientific, computer-aided drafting, planning, and related technical services through individual task orders authorized by the City. Services may include technical review of airport-related development proposals, hangar development requests, site planning considerations, infrastructure evaluations, and operational planning support. The agreement establishes a framework for future task orders, with compensation and scope to be defined and approved on a project-by-project basis.

Strand Associates, Inc. has experience in aviation and airport planning and would assist the City in evaluating near-term airport development opportunities while supporting long-term planning efforts for the Lockhart Municipal Airport. The agreement is intended to provide interim technical support while the City pursues development of a comprehensive Airport Master Plan, which is anticipated to seek future funding assistance through the Texas Department of Transportation Aviation Capital Improvement Program (ACIP).

Approval of Resolution 2026-23 would authorize the City Manager to execute the Technical Services Agreement with Strand Associates, Inc. and allow the City to obtain technical planning and engineering support services related to airport development and operational planning activities as needed.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Resolution 2026-23 authorizing the City Manager to enter into the Technical Service Agreement with Strand Associates, Inc. for airport planning, engineering, and technical support services related to the Lockhart Municipal Airport.

LIST OF SUPPORTING DOCUMENTS: Resolution 2026-23 , Professional Service Agreement- Stand Associates, Inc.

RESOLUTION NO. 2026-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING AN AGREEMENT FOR TECHNICAL SERVICES WITH STRAND ASSOCIATES, INC. FOR ENGINEERING SERVICES; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the “City”), owns and operates a municipal airport;

WHEREAS, the City continues to receive requests for the construction of commercial and private hangars and other airport improvements and has engaged the engineering firm Strand Associates, Inc. (“Strand”) to assist with reviewing construction plans associated with airport construction;

WHEREAS, the City and Strand desire to enter into a three-year Technical Services Agreement (the “Agreement”) for engineering services;

WHEREAS, Strand will provide engineering, scientific, and computer-aided design drafting services, along with associated clerical and administrative activities under the proposed Agreement; and

WHEREAS, the City Council has considered the matter and deems it in the public interest to authorize this action .

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 authorizes a three-year Technical Services Agreement with Strand Associates, Inc. to provide engineering and other technical services as outlined in the Agreement.

Section 3. The City Council hereby authorizes the City Manager to execute any documents necessary to effectuate this Resolution.

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 -
____ day of _____, 2026.

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney



AGREEMENT FOR TECHNICAL SERVICES

CITY OF LOCKHART, TEXAS
AND
STRAND ASSOCIATES, INC.®

This Agreement is made and entered into on _____, between the City of Lockhart, Texas, hereinafter referred to as OWNER, located at 308 West San Antonio Street, Lockhart, Texas 78644, and Strand Associates, Inc.®, hereinafter referred to as ENGINEER. This Agreement shall be in accordance with the following elements.

Scope of Services

Services to be provided under this Agreement can be described as engineering, scientific, computer-aided design drafting, clerical, and administrative activities performed in accordance with the terms and conditions of this Agreement and subsequently issued Task Orders. Prior to ENGINEER's engagement by OWNER, a mutually agreeable Task Order document shall be developed and executed by both parties. The Task Order will include Project Information, a detailed Scope of Services, Compensation, and Schedule. The general form of the Task Order shall be in accordance with the enclosed Task Order No. 26-01.

Service Elements Not Included

The following services are not included in this Agreement. If such services are required, they will be provided as noted in each subsequently issued Task Order.

- 1. Additional and Extended Services during construction made necessary by:
a. Work damaged by fire or other cause during construction.
b. A significant amount of defective or neglected work of any contractor.
c. Prolongation of the time of the construction contract.
d. Default by contractor under the construction contract.
2. Additional OWNER-Required Site Visits and/or Meetings: Additional OWNER-required site visits or meetings.
3. Archaeological or Botanical Investigations: ENGINEER will assist OWNER in engaging the services of an archaeologist or botanist, if required, to perform the field investigations necessary for agency review.
4. Bidding Alternatives and Bid Phasing: Any services involved in providing bidding alternatives or bidding phases.
5. Bidding- and Construction-Related Services: Any services involved in performing bidding- and construction-related services.

City of Lockhart, Texas
 Page 2
 May 21, 2026

6. Drawings and Specifications: Final design services including drawings and specifications.
7. Flood Studies: Any services involved in performing flood and floodway studies.
8. Geotechnical Engineering: Geotechnical engineering information, if required, shall be provided through OWNER and OWNER's geotechnical consultant. ENGINEER will assist OWNER with defining initial scope of geotechnical information that is required to allow OWNER to procure geotechnical engineering services.
9. Land and Easement Surveys/Procurement: Any services of this type including, but not limited to, a record search, field work, preparation of legal descriptions, or assistance to OWNER for securing land rights necessary for siting sanitary sewer, tanks, and appurtenances.
10. Preparation for and/or Appearance in Litigation on Behalf of OWNER: Any services related to litigation.
11. Review of Product Substitutions Proposed by Contractor: The terms of the construction Contract call for the construction contractor to reimburse OWNER for ENGINEER's cost for evaluating substitute products. ENGINEER's cost for such evaluations is not included.
12. Revising Designs, Drawings, Specifications, and Documents: Any services required after these items have been previously approved by state or federal regulatory agencies, because of a change in the project scope or where such revisions are necessary to comply with changed state and federal regulations that are put in force after Services have been partially completed.
13. Services Furnished During Readvertisement for Bids, if Ordered by OWNER: Any services of this type if a contract is not awarded pursuant to the original bids.
14. Services Related to Buried Wastes and Contamination: Should buried solid, liquid, or potentially hazardous wastes or subsurface or soil contamination be uncovered at the site, follow-up investigations may be required to identify the nature and extent of such wastes or subsurface soil or groundwater contamination and to determine appropriate methods for managing of such wastes or contamination and for follow-up monitoring.
15. Unsolicited Media: Any services that include the review or analysis of unsolicited media including, but not limited to, photographs, videos, and drone footage provided by OWNER or contractors unless specifically requested and agreed to in writing. ENGINEER's use of electronic construction administration programs (e.g., e-builder, Newforma) is limited to the Scope of Services defined in this Agreement. ENGINEER is not responsible for the review of unsolicited media uploaded to these programs unless specifically requested and agreed to in writing.

Compensation

OWNER shall compensate ENGINEER for Services indicated in each subsequently issued Task Order for a lump sum or for an estimated fee on an hourly rate basis plus expenses.

Expenses incurred such as those for subconsultants, travel, meals, printing, postage, copies, computer, electronic communication, and long distance telephone calls will be billed at actual cost plus ten percent.

City of Lockhart, Texas
Page 3
May 21, 2026

Only sales taxes or other taxes on Services that are in effect at the time this Agreement is executed are included in the Compensation. If the tax laws are subsequently changed by legislation during the life of this Agreement, this Agreement will be adjusted to reflect the net change.

The lump sum or estimated fee for the Services is based on wage scale/hourly billing rates, adjusted annually on July 1, that anticipates the Services will be completed as indicated. Should the completion time be extended, it may be cause for an adjustment in the lump sum or estimated fee that reflects any wage scale adjustments made.

The lump sum or estimated fee will not be exceeded without prior notice to and agreement by OWNER but may be adjusted for time delays, time extensions, amendments, or changes in the **Scope of Services**. Any adjustments will be negotiated based on ENGINEER's increase or decrease in costs caused by delays, extensions, amendments, or changes.

Schedule

Services will begin upon execution of this Agreement, which is anticipated the week of June 1, 2026. This Agreement will terminate three years following its execution. The schedule for individual tasks will be included on each subsequently issued Task Order.

Standard of Care

The Standard of Care for all Services performed or furnished by ENGINEER under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's Services.

OWNER's Responsibilities

1. Assist ENGINEER by placing at ENGINEER's disposal all available information pertinent to the Task Order-specified project including previous reports, previous drawings and specifications, and any other data relative to the scope of the Task Order-specified project.
2. Furnish to ENGINEER, as required by ENGINEER for performance of Services as part of this Agreement, data prepared by or services of others obtained or prepared by OWNER relative to the scope of the Task Order-specified project, such as soil borings, probings and subsurface explorations, and laboratory tests and inspections of samples, all of which ENGINEER may rely upon in performing Services under this Agreement.
3. Provide access to and make all provisions for ENGINEER to enter upon public and private lands as required for ENGINEER to perform Task Order-specified project Services under this Agreement.
4. Examine all reports, sketches, estimates, special provisions, drawings, and other documents presented by ENGINEER and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the performance of ENGINEER.
5. Provide all legal services as may be required for the development of the Task Order-specified project.

City of Lockhart, Texas
Page 4
May 21, 2026

6. Retain the services of a soils consultant to provide any necessary geotechnical evaluation and recommendations. OWNER's soils consultant shall provide all necessary geotechnical testing during construction. OWNER's soils consultant shall notify OWNER and ENGINEER of any geotechnical testing indicating any materials that are not in accordance with the Contract Documents (nonconforming materials) and if any nonconforming materials have been incorporated into the work.
7. Pay all permit and plan review fees payable to regulatory agencies.

Opinion of Probable Cost

Any opinions of probable cost prepared by ENGINEER are supplied for general guidance of OWNER only. ENGINEER has no control over competitive bidding or market conditions and cannot guarantee the accuracy of such opinions as compared to contract bids or actual costs to OWNER. If OWNER requires more than general guidance, then OWNER agrees to obtain an independent cost estimate by others.

Observation Services

In furnishing observation services, ENGINEER's efforts will be directed toward determining for OWNER that the completed project will, in general, conform to the Contract Documents; but ENGINEER will not supervise, direct, or have control over the contractor's work and will not be responsible for the contractor's construction means, methods, techniques, sequences, procedures, or health and safety precautions or programs, or for the contractor's failure to perform the construction work in accordance with the Contract Documents.

Payment Requests

ENGINEER's review of Payment Requests from contractor(s) will not impose responsibility to determine that title to any of the work has passed to OWNER free and clear of any liens, claims, or other encumbrances. Any such service by ENGINEER will be provided through an amendment to this Agreement.

Changes

1. OWNER may make changes within the general scope of this Agreement in the Services to be performed. If such changes cause an increase or decrease in ENGINEER's cost or time required for performance of any Services under this Agreement, an equitable adjustment will be made and this Agreement will be modified in writing accordingly.
2. No services for which additional compensation will be charged by ENGINEER will be furnished without the written authorization of OWNER. The fee established herein will not be exceeded without agreement by OWNER but may be adjusted for time delays, time extensions, amendments, or changes in the **Scope of Services**.
3. If there is a modification of Agency requirements relating to the Services to be performed under this Agreement subsequent to the date of execution of this Agreement, the increased or decreased cost of performance of the Services provided for in this Agreement will be reflected in an appropriate modification of this Agreement.

City of Lockhart, Texas
Page 5
May 21, 2026

Extension of Services

This Agreement may be extended for additional Services upon OWNER's authorization. Extension of Services will be provided for a lump sum or an hourly rate plus expenses.

Payment

OWNER shall make monthly payments to ENGINEER for Services performed in the preceding month based upon monthly invoices. Nonpayment 30 days after the date of receipt of invoice may, at ENGINEER's option, result in assessment of a 1 percent per month carrying charge on the unpaid balance.

Nonpayment 45 days after the date of receipt of invoice may, at ENGINEER's option, result in suspension of Services upon five calendar days' notice to OWNER. ENGINEER will have no liability to OWNER, and OWNER agrees to make no claim for any delay or damage as a result of such suspension caused by any breach of this Agreement by OWNER. Upon receipt of payment in full of all outstanding sums due from OWNER, or curing of such other breach which caused ENGINEER to suspend Services, ENGINEER will resume Services and there will be an equitable adjustment to the remaining project schedule and compensation as a result of the suspension.

Failure to make payments to ENGINEER is cause for termination upon two-week notice to OWNER.

Termination

This Agreement may be terminated with cause in whole or in part in writing by either party subject to a two-week notice and the right of the party being terminated to meet and discuss the termination before the termination takes place. ENGINEER will be paid for all completed or obligated Services up to the date of termination.

Data Provided by Others

ENGINEER is not responsible for the quality or accuracy of data nor for the methods used in the acquisition or development of any such data where such data is provided by or through OWNER, contractor, or others to ENGINEER and where ENGINEER's Services are to be based upon such data. Such data includes, but is not limited to, soil borings, groundwater data, chemical analyses, geotechnical testing, reports, calculations, designs, drawings, specifications, record drawings, contractor's marked-up drawings, and topographical surveys.

Third-Party Beneficiaries

Nothing contained in this Agreement creates a contractual relationship with or a cause of action in favor of a third party against either OWNER or ENGINEER. ENGINEER's Services under this Agreement are being performed solely for OWNER's benefit, and no other party or entity shall have any claim against ENGINEER because of this Agreement or the performance or nonperformance of Services hereunder. OWNER and ENGINEER agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors, and other entities involved in the Task Order-specified project to carry out the intent of this provision.

City of Lockhart, Texas
Page 6
May 21, 2026

Dispute Resolution

Except as may be otherwise provided in this Agreement, all claims, counterclaims, disputes, and other matters in question between OWNER and ENGINEER arising out of or relating to this Agreement or the breach thereof will be decided first by mediation, if the parties mutually agree, or with a bench trial in a court of competent jurisdiction within the State of Texas.

Remedies

Neither ENGINEER nor OWNER shall be liable to the other for special, indirect, punitive, or consequential damages for claims, disputes, or other matters in question arising out of this or relating to this Agreement. This mutual waiver is applicable, without limitation, due to either party’s termination of this Agreement.

Terms and Conditions

The terms and conditions of this Agreement and subsequently issued Task Orders will apply to the Services defined in the **Scope of Services** and represent the entire Agreement and supersede any prior proposals, Requests for Qualifications, or Agreements. OWNER-supplied purchase order is for processing payment only; terms and conditions on the purchase order shall not apply to these Services.

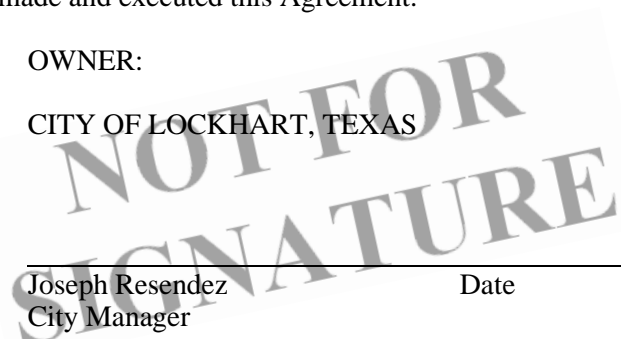
IN WITNESS WHEREOF the parties hereto have made and executed this Agreement.

ENGINEER:

OWNER:

STRAND ASSOCIATES, INC.®

CITY OF LOCKHART, TEXAS



Joseph M. Bunker
Corporate Secretary

Date

Joseph Resendez
City Manager

Date

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion regarding Task Order No. 26-01 with Strand Associates, Inc. for on-call engineering and technical support services related to the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

Task Order No. 26-01 is the initial task order under the proposed Technical Services Agreement between the City of Lockhart and Strand Associates, Inc. for airport-related engineering and technical support services associated with the Lockhart Municipal Airport.

The purpose of this task order is to provide the City with on-call professional engineering and technical support services as airport-related development requests, planning considerations, and operational needs arise. Services may include responding to staff questions, reviewing City-provided information and development proposals, evaluating planning and engineering considerations, and assisting with coordination of airport-related matters and potential improvement opportunities.

Services under the task order would be provided only as requested and authorized by the City on an as-needed basis. The task order establishes hourly billing rates for professional engineering and technical services and includes an estimated fee not to exceed \$15,000, plus applicable reimbursable expenses.

The proposed task order is intended to provide interim technical and planning support while the City continues long-term planning efforts related to the Lockhart Municipal Airport, including anticipated future development of an Airport Master Plan. Approval of the task order would allow the City to obtain timely professional support for airport-related planning, development review, and operational coordination activities as needed. Services are expected to begin upon execution of the task order and continue through June 1, 2029.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

FISCAL NOTE (if applicable):

Proposed services under Task Order No. 26-01 will be funded through the Airport Fund Balance.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Task Order No. 26-01 with Strand Associates, Inc.

LIST OF SUPPORTING DOCUMENTS: Strand Associates Inc. Task Order No. 26-01



Task Order No. 26-01
City of Lockhart, Texas (OWNER)
and Strand Associates, Inc.® (ENGINEER)
Pursuant to Agreement for Technical Services dated _____, 20__

Project Information

Services Description: On-Call Engineering Support

Scope of Services

ENGINEER will provide on-call general engineering support services to OWNER as directed and authorized by OWNER's Representative in writing, including responding to OWNER's questions, reviewing OWNER-provided data, and responding to OWNER's general engineering services needs.

Authorization and Commitment

OWNER's Representative shall authorize services requested under Scope of Services. ENGINEER agrees to provide requested services upon receipt of authorization, scope and fee limit, if any, from OWNER via e-mail or letter prior to starting the requested services.

Compensation

OWNER shall compensate ENGINEER for Services under this Task Order on an hourly rate basis plus expenses an estimated fee of \$15,000, in accordance with the following hourly billing rates:

Table with 2 columns: Role and Hourly Billing Rates*. Roles include Principal Engineer, Senior Project Manager, Project Managers, Project Engineers and Scientists, Engineering Technicians and Draftspersons, and Administrative.

* Updated annually on July 1

Schedule

Services will begin upon execution of this Task Order, which is anticipated the week of June 1, 2026. Services are scheduled for completion on June 1, 2029.

City of Lockhart, Texas
Task Order No. 26-01
Page 2
May 21, 2026

TASK ORDER AUTHORIZATION AND ACCEPTANCE:

ENGINEER:

STRAND ASSOCIATES, INC.®

OWNER:

CITY OF LOCKHART, TEXAS

Joseph M. Bunker
Corporate Secretary

Date

Joseph Resendez
City Manager

Date

NOT FOR
SIGNATURE

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion regarding potential capital projects and funding priorities associated with the City's proposed 2026 Certificates of Obligation issuance.

ORIGINATING DEPARTMENT AND CONTACT: Administration - Joseph Resendez

ACTION REQUESTED: Direction

BACKGROUND/SUMMARY/DISCUSSION: This item is a follow-up discussion regarding the proposed 2026 Certificates of Obligation ("CO") issuance previously discussed by the City Council in connection with Resolution 2026-20 and publication of the City's Notice of Intent to issue Certificates of Obligation.

The purpose of this discussion is to allow the City Council to further review and discuss potential capital projects, funding priorities, and estimated project scopes associated with the proposed CO issuance, including the Indoor Recreation Center and other potential infrastructure and facility-related projects.

The previously discussed issuance amount of \$15,000,000 represents a "not to exceed" authorization, and Council may ultimately determine to proceed with a lower issuance amount depending on the final scope of projects selected for funding. Based on guidance from the City's Financial Advisor, the City Council has until the June 16, 2026 City Council meeting to make a final determination regarding project funding priorities and the final issuance amount.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

City of Lockhart, Texas

**Council Agenda Item
Cover Sheet**

LIST OF SUPPORTING DOCUMENTS:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding an Event Sponsorship Agreement between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

This item is for consideration of an Event Sponsorship Agreement between the City of Lockhart and Chisholm Trail Homecoming Rodeo for the 2026 Chisholm Trail Homecoming Rodeo event to be held at Lockhart City Park on June 12–13, 2026. The proposed event includes a rodeo, barbecue cook-off, marketplace vendors, carnival activities, and related entertainment and community activities. Portions of the event will be open to the public and include ticketed activities.

Under the proposed agreement, the City would provide a total sponsorship contribution of up to \$50,000, consisting of a \$25,000 cash sponsorship for event support and sponsorship benefits, as well as up to \$25,000 in in-kind support. The City's in-kind support would include assistance with permitting, street closures, utility coordination, and use of City facilities associated with the event, including Lockhart City Park and related setup and teardown activities. Event-related park and street use would begin June 7, 2026, at 8:00 a.m. and conclude June 14, 2026, by 5:00 p.m.

Under the agreement, Chisholm Trail Homecoming Rodeo would be responsible for overall event organization and operations, including entertainment, activities, vendors, trash collection and cleanup, portable restroom facilities, event staffing, utilities associated with the event, and compliance with applicable permitting and insurance requirements. The organizer would also retain responsibility for securing and managing third-party sponsorships associated with the event.

Approval of the agreement would support the return of the Chisholm Trail Homecoming Rodeo as a community event at Lockhart City Park and establish the respective responsibilities of the City and the event organizer related to sponsorship support, permitting, utilities, insurance, event operations, and coordination activities.

PROJECT SCHEDULE (if applicable): • Event Setup Activities Begin: June 7, 2026

• Chisholm Trail Homecoming Rodeo Event: June 12–13, 2026

• Event Teardown Completion: June 14, 2026

City of Lockhart, Texas

Council Agenda Item Cover Sheet

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: Chisholm Trail Rodeo Agreement, Exhibit A
Chisholm Trail Homecoming Rodeo Application

**CHISHOLM TRAIL HOMECOMING RODEO
EVENT SPONSORSHIP AGREEMENT**

This Event Sponsorship Agreement (“Agreement”) is entered into by and between Chisholm Trail Homecoming Rodeo (“Organizer”) and the City of Lockhart, Texas, a municipality of the State of Texas (“Client”), and governs the terms of the Chisholm Trail Homecoming Rodeo event at the Lockhart City Park described in this Agreement and Client’s sponsorship thereof, in each case on the terms provided in this Agreement.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Events.**

- **Event Description.** This 2-day event comprises rodeo, barbeque cookoff, marketplace vendors and carnival (“Event”).
- **Sponsorship Fee.** In consideration of the Chisholm Trail Homecoming Rodeo event, Client shall pay the Organizer a sponsorship fee of up to \$50,000, comprising the following (i) a \$25,000 cash payment for additional event support and sponsorship benefits (ii) up to \$25,000 of in-kind support as described below. Fifty percent (50%) of these amounts are payable within ten (10) business days of the execution of this Agreement, with the remaining fifty percent (50%) payable no later than ten (10) business days following the Event.
- **Event Details –**
 - June 12th and 13th- Rodeo. This event will be held in Lockhart City Park. This is a ticketed, public event.
 - June 12th and 13th- Carnival. This portion of the event will be held at Lockhart City Park. This is a public event with ticketed amusement rides.
- **Event content.** Organizer shall be responsible for curating and engaging the entertainment for the Event and shall have sole decision-making authority for the content and curation of the Event.
- **Client In-Kind Support.** The in-kind support to be provided by Client includes the following:
 - All city permitting (street, fire, police, sound, building, parking, etc.) and assistance with all other permitting requirements for the Event. Street closures for City Park beginning June 7, 2026 at 8am and ending June 14, 2026 by 5pm.
 - Venues: securing access to utilities and assisting with utility account setups.
- **Organizer’s Services. Chisholm Trail Homecoming services include:**
 - Securing trash receptacles from the City’s solid waste provider, and provide staff for cleaning and trash removal.
 - Supply portable restrooms for the event.
 - Pay for utilities used during the event.

2. **Term.** The term of this Agreement will commence on the date of the last signature below (the “Effective Date”) and, unless earlier terminated as provided herein, will continue in full force and effect until June 30, 2026.

3. **Cancellation.** Either party may terminate this Agreement for any or no reason with not less than ten (10) days written notice before the Event date, with no further obligations, except that the terminating party shall be obligated to pay or promptly reimburse the other party for any unavoidable costs incurred by the non-terminating party as a consequence of such termination (e.g., guaranteed artist fees). The Organizer also retains the right to cancel any portion of or all of the Event at any time for cause, including, without limitation, safety concerns, Client’s non-compliance with this Agreement, or for other reasons as set forth herein, after advance notice and opportunity to cure as follows: (a) more than two weeks prior to the Event, the notice and cure period shall be 72 hours; and (b) for the two weeks prior, the notice and cure period shall be 24 hours. Upon termination of this Agreement, all rights granted to Client under this Agreement, including any trademark rights, shall immediately cease. Client acknowledges that failure to comply with its trademark

obligations under this Agreement will result in immediate and irreparable harm to the Organizer, entitling it to injunctive and any and all other appropriate relief.

4. **Event Revenues. Chisholm Trail Homecoming Rodeo** shall be entitled to 100% of the proceeds of any third-party sponsorships it procures for the Event.

5. **Compliance with Laws.** Client acknowledges that the Organizer reserves the right to impose rules and requirements applicable to the Event. Client acknowledges that local, state and federal entities have rules and regulations which may impact activities and promotions during the event. Each party shall ensure that its activities under this Agreement comply with all federal, state and local laws, ordinances, codes, rules, and regulations.

6. **Insurance.**

(a) Client will procure and maintain, at its own expense, Commercial General Liability (“CGL”) insurance, or Texas Municipal League Risk Pool equivalent, with a combined single limit of not less than \$1 million per occurrence and \$2 million in the aggregate, which policy must be in full force and effect for the Event and any associated load-in and load-out times before and after the Event. This policy must be taken out in the name of the Client and must specifically identify the Organizer, and its officers, employees and agents as additional insureds. Prior to the Event, Presenter shall provide the Organizer with proof of such insurance.

(b) CLIENT WAIVES ALL RIGHTS OF SUBROGATION AGAINST CHISHOLM TRAIL HOMECOMING RODEO, ITS OFFICERS, DIRECTORS, SHAREHOLDERS OR EMPLOYEES AND REPRESENTATIVES TO THE EXTENT OF ALL LOSSES OR DAMAGE COVERED BY ANY POLICY OF INSURANCE. CLIENT AGREES TO ADVISE ITS INSURER OF SUCH WAIVER, AND OBTAIN ALL ENDORSEMENTS REQUIRED FOR SUCH WAIVER TO BE EFFECTIVE.

(c) Chisholm Trail Homecoming Rodeo will procure and maintain, at its own expense, CGL insurance at the same coverage required of Client above.

7. **Indemnification.** If and to the extent permitted under Texas law, and subject to the last sentence of this Section 7, Client will indemnify and hold harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against Organizer to the extent it is caused by Client’s default with respect to any of the terms or provisions of this Agreement or any negligent act or omission or intentional misconduct of Client, its officials, officers, agents, servants or employees or, while performing their duties under this Agreement. Nothing in this Section 7 or any other provision of this Agreement shall require, or be deemed or construed as having required, the City to assess or collect revenue or to create a sinking fund to satisfy any indemnification obligation under this Agreement.

8. **Damages Waiver.** EXCEPT WITH RESPECT TO CLIENT’S INDEMNIFICATION OBLIGATIONS HEREUNDER, OR INFRINGEMENT OF THE ORGANIZER’S INTELLECTUAL PROPERTY, AND NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE, OR SIMILAR DAMAGES, WHETHER BASED ON CONTRACT, TORT, WARRANTY, OR OTHER LEGAL OR EQUITABLE GROUNDS, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS OR OTHER PECUNIARY LOSS, ARISING OUT OF THIS AGREEMENT OR THE SERVICES, EVEN IF THE OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND EVEN IF CAUSED BY THE NEGLIGENCE OF THE OTHER PARTY.

9. **“As Is” Nature.** EXCEPT AS MAY BE EXPRESSLY SET FORTH IN THIS AGREEMENT, ANY PRODUCTS SERVICES, OR PROPERTY PROVIDED OR TO BE PROVIDED BY THE ORGANIZER HEREUNDER ARE PROVIDED "AS IS" WITHOUT ANY WARRANTY OF ANY KIND, AND NO OTHER WARRANTIES, WHETHER EXPRESS, IMPLIED, OR OTHERWISE, ARE MADE WITH RESPECT TO THE SAME, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

10. **Representations and Warranties.** Each party represents and warrants to the other party that: (a) it has the full power and authority to enter into this Agreement and to carry out the provisions thereof; (b) the person executing this Agreement on behalf of such party is authorized to do so; (c) the rights granted hereunder shall not violate any law or infringe upon the rights of any third parties; and (d) such party shall comply with all laws, ordinances, or governmental rules or regulations and order applicable to presentation of the Event.

11. **Notices.** All notices to be given with respect to this Agreement shall be given to the Organizer and to Client, respectively, at the address below and shall be in writing, postage or delivery charges prepaid. All notices shall be effective upon actual receipt or refusal of delivery by the party to whom given. Either party may change the address at which it is to receive notice by giving notice thereof to the other Party.

If to Client:

City of Lockhart
Attn: City Manager
308 W. San Antonio Street
Lockhart, Texas 78644
Email: jresendez@lockhart-tx.org

If to Chisholm Trail Homecoming Rodeo:

CHISHOLM TRAIL HOMECOMING RODEO
Attention: Anthony Collins
808 Thompson Road
Dale, Texas 78616
Email: anthony@whitefeatherservices.com

12. **General Provisions.** Nothing contained in this Agreement establishes a partnership or joint venture with Chisholm Trail Homecoming Rodeo. This Agreement shall be governed by the laws of the State of Texas and exclusive venue for all disputes arising under or related to it shall lie in a court of proper jurisdiction in Caldwell County, Texas. The obligations set forth herein relating to indemnification, limitations of liability, governing law and venue, and general provisions shall survive the expiration or earlier termination of this Agreement. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provisions shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provisions were so excluded and shall be enforceable in accordance with its terms. This document represents the entire agreement of the parties with respect to the subject matter hereof and cannot be amended except by a writing signed by both parties. Headings are included for convenience only and will not be used to construe this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Further, this Agreement may be executed by facsimile, email, electronic signature or other electronic means, and so executed shall have the full force and legal effect as an original. The language of this Agreement shall be construed simply and according to its fair meaning, and shall not be construed for or against any party as a result of the source of draftsmanship.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date herein above first written.

ACCEPTED AND AGREED TO:

CITY OF LOCKHART

Signature: _____

Printed Name: _____

Title: _____

Date: _____

CHISHOLM TRAIL HOMECOMING RODEO

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit A
Special Activity Permit

CITY OF LOCKHART
SPECIAL ACTIVITY PERMIT APPLICATION

THIS APPLICATION MUST BE SUBMITTED TO THE LOCKHART POLICE DEPARTMENT AT 214 BUFKIN LANE, LOCKHART, TEXAS. THE APPROVAL PROCESS MAY TAKE UP TO 3 BUSINESS DAYS TO COMPLETE.

NOTES: FAILURE TO FILE THE APPLICATION WITH THE LOCKHART POLICE DEPT. IN SUFFICIENT TIME MAY RESULT IN DENIAL OF THE PERMIT FOR THIS ACTIVITY.
IN THE EVENT THERE IS A SITUATION/CONFLICT WITH THE PERMIT, YOU WILL BE CONTACTED BY A MEMBER OF LOCKHART CITY STAFF.

DATE RECEIVED: 1-21-26 BY: [Signature]

TYPE OF ACTIVITY: Rodeo
DATE(S) OF ACTIVITY: June 12-14
TIMES OF ACTIVITY: Rodeo dates June 12 & 13

ACTIVITY SPONSOR (NAME OF GROUP, ORGANIZATION, OR INDIVIDUAL SPONSORING THE ACTIVITY)

Event is held in the Lockhart City Park
NAME: Chiselm Trail Homecoming Rodeo
PHYSICAL ADDRESS: City Park 808 Thompson Rd Dale TX 78846
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)
MAILING ADDRESS: 808 Thompson Rd Dale, TX 78846
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)
TELEPHONE NUMBER: (512) 995-5216

APPLICANT (NAME OF THE PERSON WHO WILL BE IN CHARGE OF THIS ACTIVITY)

NAME: James Welvaert
PHYSICAL ADDRESS: 808 Thompson Rd Dale, TX 78846
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)
MAILING ADDRESS: ..
TELEPHONE NUMBER: (512) 995-5216
D.L. # / ID CARD # 03913258

LOCATION OF ACTIVITY (FACILITY TO BE USED, PARK, ETC.)

PHYSICAL ADDRESS: City Park

NAME OF PROPERTY OWNER: City of Lockhart

OWNERS ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

MAILING ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: () -

FACILITY DESCRIPTION

WILL YOU BE USING A TENT OR AN AIR SUPPORTED STRUCTURE? YES NO

IF YES, WHAT IS THE SIZE OF THE TENT OR AIR SUPPORTED STRUCTURE? _____

IF YES, IS IT FIRE RETARDENT OR FLAME RESISITANT? YES NO

IF YES, DO YOU HAVE THE CERTIFICATE FOR IT? YES NO

DO YOU HAVE THE REQUIRED NUMBER OF THE FOLLOWING:

FIRE EXISTS? YES NO

FIRE EXTINGUSHERS? YES NO

RESTROOM FACILITITES? YES NO

SANITATION FACILITIES? YES NO

WHAT AREA WILL BE USED FOR VEHICLE PARKING? City Park

ADMISSION

IS THE ACTIVITY OPEN TO THE PUBLIC? YES NO

IF NOT, WHO WILL MONITOR ADMITTANCE? Lockhart Homecoming Staff

WILL AN ENTRANCE FEE BE CHARGED? YES NO

IF YES, HOW MUCH? \$15⁰⁰ per person

ESTIMATED NUMBER OF PEOPLE TO ATTEND? 3000 per night

ALCOHOLIC BEVERAGES

WILL ALCOHOLIC BEVERAGES BE ALLOWED ON PREMISES? YES NO

IF SO, WHAT TYPE? Beer

WILL ALCOHOLIC BEVERAGES BE FOR SALE? YES NO

IF YES, DO YOU HAVE A TEMPORARY ALCOHOLIC BEVERAGE PERMIT ISSUED BY THE TEXAS ALCOHOLIC BEVERAGE COMMISSION? YES NO

IF YES, WHAT IS THE PERMIT NUMBER? _____

WHO HOLDS THE PERMIT LICENSE? Lockhart

FOOD

WILL FOOD BE SOLD? YES NO

IF YES, WHAT TYPE OF FOODS? Mobil Trailer Sales

WILL FOOD BE PREPARED AT THIS LOCATION? YES NO

WILL YOU BE USING HEATING OR COOKING EQUIPMENT? YES NO

IF YES, WHAT TYPE OF EQUIPMENT? _____

IS THE EQUIPMENT INSTALLED AND SECURED PROPERLY? YES NO

DO YOU HAVE A FOOD HANDLERS PERMIT? YES NO

IF YES, DATE OF ISSUE: _____ DATE OF EXPIRATION: _____

WILL FOOD BE CATERED? YES NO

CATERER'S PHONE NUMBER: (____) _____ - _____

AMUSEMENTS

WILL YOU HAVE ANY AMUSEMENTS? YES NO

IF YES, WHAT TYPE: _____

AMPLIFIED SOUND

WILL AMPLIFIED SOUND BE USED (i.e., band, disc jockey, loud speakers, etc.)?

YES NO

IF YES, WHAT TYPE?

Rodco Sound System

DURING WHAT HOURS?

6pm - 12:00 Am

NO OPERATORS OR ACTIVITY SHALL AT ANY TIME ALONG ANY FACILITY PROPERTY LINE CAUSE A SOUND PRESSURE LEVEL WHICH EXCEEDS THE FOLLOWING DECIBEL LIMITS:

<u>Frequency (Hz)</u>	<u>Maximum db level</u>
0 - 600	58
600 - 2400	50
Above 2400	42

VIOLATION OF THESE SOUND LEVELS IS A CRIME PUNISHIBLE BY A FINE NOT TO EXCEED \$1,000.00.

SECURITY

DO YOU HAVE SECURITY OFFICERS? YES NO HOW MANY? _____

AGENCY PROVIDING SECURITY? _____

ADDRESS:

(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

**SECURITY INFORMATION MUST BE PROVIDED TO THE LOCKHART
POLICE DEPARTMENT BEFORE THIS ACTIVITY BEGINS**

POLICE DEPARTMENT

City Use Only/Cost: _____

NUMBER OF OFFICERS REQUIRED (IF PD IS TO PROVIDE SECURITY): _____

HOURS TO BE USED: _____

PARKS

City Use Only/Cost: _____

NUMBER OF PARKS PERSONNEL NEEDED FOR EVENT: 0

TRASH CANS NEEDED: 25

NUMBER OF BARRICADES REQUIRED: _____

LOCATION WHERE BARRICADES ARE TO BE USED: Closing of Park

STREETS

City Use Only/Cost: _____

NUMBER OF STREETS PERSONNEL NEEDED FOR EVENT: 0

NUMBER OF BARRICADES REQUIRED: _____

STREETS TO BE CLOSED: 1) _____

2) _____

3) _____

4) _____

5) _____

PLEASE USE A SEPARATE SHEET OF PAPER TO CONTINUE STREET CLOSURES.

I, the undersigned applicant, hereby affirm that I am the person who is responsible for this activity. I understand that any false or misleading statement in this application is grounds for denial of a permit, or if one has already been issued, grounds for its revocation. I also understand that I am responsible for compliance with all applicable laws and any other requirements set forth for the issuance of this permit.

[Handwritten Signature]
Applicant Printed Name

JAN. 21, 2025
Date

James E Welvaat, Jr
Signature

APPROVED

- POLICE OFFICIAL: *[Signature]* DATE: 1-23-26
- FIRE OFFICIAL: *W. R. Jenkins* DATE: _____
- BUILDING OFFICIAL: _____ DATE: _____
- PARKS OFFICIAL: *Travis Hughes* DATE: 1-23-2026
- HEALTH OFFICIAL: _____ DATE: _____
- ELECTRICAL OFFICIAL: _____ DATE: _____
- PUBLIC WORKS OFFICIAL: *Sean Kelley* DATE: 1/23/26

DISSAPROVED

- POLICE OFFICIAL: _____ DATE: _____
- FIRE OFFICIAL: _____ DATE: _____
- BUILDING OFFICIAL: _____ DATE: _____
- PARKS OFFICIAL: _____ DATE: _____
- HEALTH OFFICIAL: _____ DATE: _____
- ELECTRICAL OFFICIAL: _____ DATE: _____
- PUBLIC WORKS OFFICIAL: _____ DATE: _____

COMMENTS / ADDITIONAL REQUIREMENTS:

MUST BE SIGNED AND RETURNED WITH VENDORS APPLICATION
FOOD SERVICE AT SPECIAL EVENTS

BY HEALTH DEPARTMENT
CITY OF LOCKHART

FOOD BOOTH

This Guideline for Food Service at Special Events is compiled to give patrons of those events assurance of Vendors Commitment to Food Safety.

- Food Booths – all food must be covered or all sides of booth must be screened.
- Top to repel water.
- Floors that can be cleaned.
- All food prepared, stored, or displayed must be in booth. **All food must be prepared on site!**
- Hand wash facility shall have adequate amounts of water, soap dispenser and towels (disposable).
- If cooking utensils are used the booth must have two containers large enough to wash the utensils: one for detergent and one for Clorox and water (one tablespoon per gallon of water). **These are not to be used for hand washing!**
- All eating utensils to be disposable (cups, knives, forks spoons and plates).
- Food preparation to be done on nonporous surface (cutting boards of hard plastic).
- There shall be a container to hold all waste from beverages, ice, etc. and disposed of in proper manner (not on ground).
- There must be a food thermometer in each food booth.
- **Cold food must be kept at 41 degrees F or below** (potentially hazardous food [food that will spoil]).
- **Hot food must be kept at 165 degrees F or over** (potentially hazardous food [food that will spoil]).
- Condiments shall be in pumps, squeeze containers, self-closing lids or individual wrapped packages.
- Ice for drinks to be kept separate from ice for cooling.
- Ice used for refrigeration can not be used for consumption.
- **Refrigeration large enough to hold food to 41 degrees or lower day and night** (can not take home).
- Food must be covered at all times.
- If cooking – all grease to be recovered and disposed of properly (**not on the ground!**)
- Store everything at least 6” off the ground.
- All garbage to be in plastic lined container with lid.

FOOD HANDLERS

- **Must wear clean outer garments/aprons.**
- **Restrain hair (hats, scarves or hair nets).**
- **Do not work if ill.**
- **Wash hands each time you enter food area from eating, smoking, using restroom, etc.**
- **If you are handling food, you must use disposable, chemically treated towelette.**
- **Persons using tongs or individual tissue need not use gloves.**
- **No smoking or eating in the booth.**
- **No visitors, children or pets are allowed in the booth.**

COMPLIANCE IS MANDATORY

You must sign this document and return it with your application or the application will be denied.

Printed Name _____

Signature _____

Date _____

PARK USE APPLICATION (PAVILION)

NAME OF PERSON, GROUP OR: _____

ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

DATE & TIME OF ACTIVITY: _____

FACILITY TO BE USED: _____

PURPOSE OF ACTIVITY: _____

WHO WILL BE RESPONSIBLE FOR THE ACTIVITY? _____

ADDRESS: _____
(NUMBER) (STREET) (CITY) (STATE) (ZIP CODE)

TELEPHONE NUMBER: (____) _____ - _____

SIGNATURE DATE

Sec. 19-35 Revocation of Permit

A park use permit may be revoked at any time by the City Manager or his designate for reasons which may include, but are not limited to misrepresentation of information given at the time of permit application, failure to comply with conditions the permit, or assignment of the permit to another party without the prior written consent of the City Manager or his designate.

****SPECIAL NOTE: IT IS THE USER/APPLICANT'S RESPONSIBILITY TO BAG AND PLACE ALL GARBAGE IN THE NEAREST DUMPSTER TO THE PAVILION BEING USED. FAILURE TO COMPLY WITH THIS REQUIREMENT WILL FORFEIT ALL DEPOSITS AND FUTURE USE OF ANY CITY FACILITY!**

APPLICANT'S INITIALS

FOR OFFICIAL USE ONLY

APPROVED
DISAPPROVED

(SIGNATURE OF OFFICIAL) DATE

FEE PAID: _____ DEPOSIT PAID: _____

DATE PAID: _____ DATE PAID: _____

RECEIPT # _____ RECEIPT # _____

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2026-24 authorizing a Memorandum of Understanding between the City of Lockhart and Gaslight-Baker Theatre, as the proposed Cultural District Management Entity, related to the proposed Lockhart Cultural District and supporting pursuit of Cultural District designation through the Texas Commission on the Arts.

ORIGINATING DEPARTMENT AND CONTACT: Economic Development - Tiffany Padilla

ACTION REQUESTED: Resolution

BACKGROUND/SUMMARY/DISCUSSION: Resolution 2026-24 would authorize a Memorandum of Understanding (“MOU”) between the City of Lockhart and Gaslight-Baker Theatre, the proposed Cultural District Management Entity (“CDME”), related to the proposed Lockhart Cultural District application to the Texas Commission on the Arts (“TCA”).

The proposed Cultural District is intended to support cultural tourism, downtown vitality, historic preservation, arts and cultural programming, visitor engagement, and economic development in Lockhart.

The proposed MOU establishes the respective roles and responsibilities of the City and the CDME related to district coordination, reporting, use of City branding and resources, signage and wayfinding coordination, public trust standards, and continuity planning. The agreement further clarifies that Gaslight-Baker Theatre would serve as the independent nonprofit Cultural District Management Entity responsible for district management and TCA reporting requirements, while the City would remain a supportive municipal partner focused on tourism coordination and related governmental functions.

Approval of the Resolution and MOU would provide formal municipal support for the proposed Lockhart Cultural District application and establish a coordination framework between the City and the proposed Cultural District Management Entity should the district receive designation through the Texas Commission on the Arts.

PROJECT SCHEDULE (if applicable): The Texas Commission on the Arts application deadline is June 15, 2026.

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: Staff respectfully requests approval of the Resolution and Memorandum of Understanding supporting the creation of the Lockhart Cultural District.

LIST OF SUPPORTING DOCUMENTS: Resolution 2026-24 - Lockhart Cultural District

RESOLUTION NO. 2026 - 24

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH GASLIGHT-BAKER THEATRE RELATED TO THE PROPOSED LOCKHART CULTURAL DISTRICT; SUPPORTING THE PURSUIT OF CULTURAL DISTRICT DESIGNATION THROUGH THE TEXAS COMMISSION ON THE ARTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Lockhart recognizes the value of arts, culture, heritage tourism, historic preservation, and downtown vitality as important components of the community's economic development and quality of life efforts; and

WHEREAS, Gaslight-Baker Theatre has been identified as the proposed Cultural District Management Entity for the proposed Lockhart Cultural District application to the Texas Commission on the Arts; and

WHEREAS, the City Council desires to support the pursuit of Cultural District designation while clarifying the respective roles and responsibilities of the City and the proposed Cultural District Management Entity through a Memorandum of Understanding;

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

SECTION 1.

The City Council hereby authorizes the City Manager, or designee, to execute the Memorandum of Understanding (Exhibit A) between the City of Lockhart and Gaslight-Baker Theatre related to the proposed Lockhart Cultural District, in substantially the same form as presented to the City Council, including provisions related to district management responsibilities, public trust standards, use of City branding and resources, conflict-of-interest safeguards, reporting obligations, and successor management procedures.

SECTION 2.

The City Council hereby expresses its support for the pursuit of Cultural District designation through the Texas Commission on the Arts and recognizes the potential benefits associated with cultural tourism, arts and cultural programming, downtown revitalization, historic preservation, and visitor engagement.

SECTION 3.

Nothing in this Resolution shall be construed as obligating the City to provide funding, staffing, operational management, property rights, or ongoing administrative support unless separately approved by the City Council.

SECTION 4.

This Resolution shall take effect immediately upon its passage and approval.

PASSED, APPROVED, AND ADOPTED this 2nd day of June, 2026.

ATTEST:

Julie Bowermon, City Secretary

Lew White, Mayor

APPROVED AS TO FORM:

Brad Bullock, City Attorney

EXHIBIT A

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF LOCKART AND GASLIGHT-BAKER THEATRE,
AS THE DESIGNATED CULTURAL DISTRICT MANAGEMENT ENTITY
FOR
THE PROPOSED LOCKHART CULTURAL DISTRICT**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Lockhart, Texas, hereinafter referred to as the “City,” and Gaslight-Baker Theatre, a Texas nonprofit organization serving as the designated Cultural District Management Entity (“CDME”) for the proposed Lockhart Cultural District, hereinafter referred to as the “CDME.”

RECITALS

WHEREAS, the City of Lockhart supports tourism promotion, downtown vitality, historic preservation, arts and cultural programming, visitor engagement, and economic development as public benefits for the Lockhart community; and

WHEREAS, Gaslight-Baker Theatre has been identified in the proposed Lockhart Cultural District application as the Cultural District Management Entity (“CDME”); and

WHEREAS, the proposed Lockhart Cultural District is supported by local arts, cultural, heritage, tourism, business, and community organizations working to strengthen Lockhart’s cultural identity and visitor economy; and

WHEREAS, the Texas Commission on the Arts (“TCA”) has advised that Cultural Districts are managed by a single nonprofit organization or governmental entity serving as the Cultural District Management Entity; and

WHEREAS, the City desires to support the proposed Cultural District through coordination, tourism promotion, and potential partnership opportunities while preserving the independent management role of the CDME and clarifying that the City is not assuming operational control or legal responsibility for the Cultural District unless separately authorized by the City Council; and

WHEREAS, the parties desire to establish a cooperative framework regarding City support, district management responsibilities, use of City resources and branding, public trust standards, reporting expectations, and coordination related to the proposed Cultural District;

NOW, THEREFORE, the parties agree as follows:

1. PURPOSE AND NATURE OF AGREEMENT

The purpose of this MOU is to establish the City’s support for the proposed Lockhart Cultural District while clarifying the respective roles, responsibilities, and expectations of the City and the CDME.

The parties recognize the proposed Lockhart Cultural District as a community-driven initiative intended to support cultural tourism, historic preservation, arts and cultural programming, visitor engagement, downtown vitality, and economic development in Lockhart.

This MOU is intended to document mutual understanding and cooperation between the City and the CDME. It does not create a legal partnership, joint venture, employment relationship, or agency relationship between the parties.

Nothing in this MOU obligates the City to assume ownership, management, reporting responsibility, financial responsibility, operational control, or administrative authority over the Cultural District unless separately approved by the City Council.

2. BACKGROUND AND TCA FRAMEWORK

The Lockhart Cultural District application identifies Gaslight-Baker Theatre as the proposed Cultural District Management Entity (“CDME”). The proposed district is supported by participating arts, cultural, heritage, tourism, and community organizations, including but not limited to Gaslight-Baker Theatre, Spellerberg Projects, KLKT 107.9 FM, Courthouse Nights Corp., Soundwaves Art Foundation, and the Lockhart Initiative for Tourism.

The City has supported the planning process and recognizes the potential value of the Cultural District as a tool to strengthen Lockhart’s cultural identity, visitor economy, downtown revitalization, arts ecosystem, and quality of life.

The parties acknowledge that a Texas Cultural District designation through TCA is intended to promote tourism, cultural activity, historic preservation, economic development, and community identity within a defined geographic area.

The parties further acknowledge that TCA’s Cultural District framework contemplates district management through either a governmental entity or an eligible nonprofit organization serving as the Cultural District Management Entity.

TCA has advised that, from TCA’s perspective, the CDME is always a single nonprofit organization or governmental entity, not a coalition. Accordingly, Gaslight-Baker Theatre, as the identified CDME, is responsible for managing, developing, and reporting on the Cultural District unless and until that role is formally changed through TCA’s applicable process and in accordance with this MOU.

The parties recognize that utilizing a nonprofit CDME may provide operational, programming, fundraising, grant, and community partnership advantages that support the long-term success of the Cultural District while allowing the City to remain a supportive municipal partner focused on tourism coordination, public infrastructure, downtown planning, visitor engagement, and related governmental functions.

The parties further acknowledge that the proposed Cultural District is intended to operate as a collaborative community-based initiative involving participating arts, cultural, heritage, tourism, business, and community stakeholders rather than as a standalone City department or City-operated program.

3. CITY AND CDME ROLES

A. City Support

The City supports the CDME's pursuit of Cultural District designation and may, subject to City policies, budget availability, legal requirements, and necessary approvals, provide support in the following ways:

- a. Providing letters or resolutions of support for the Cultural District application;
- b. Coordinating with the CDME on tourism strategy, downtown revitalization, visitor experience, and cultural tourism promotion;
- c. Assisting with visitor data, tourism metrics, Hotel Occupancy Tax information, or other statistical data where available and appropriate;
- d. Reviewing and approving, where required, district signage, wayfinding, banners, public-facing installations, or other materials proposed for City property or public rights-of-way;
- e. Considering eligible funding requests through established City processes, including Hotel Occupancy Tax funding where applicable; and
- f. Coordinating district-related information with the City's Downtown and Tourism Department and other visitor-facing resources.

The City's support under this MOU is intended to strengthen the Cultural District application and future district coordination without shifting CDME responsibilities to the City.

B. CDME Responsibilities

The CDME shall be responsible for:

- a. Serving as the official Cultural District Management Entity unless formally changed through TCA's applicable process and in accordance with this MOU;

- b. Managing, developing, and reporting on the Cultural District in accordance with TCA requirements;
- c. Coordinating with participating arts, cultural, heritage, tourism, and community organizations, as well as the City's Tourism Advisory Board and Downtown and Tourism Department where appropriate;
- d. Maintaining appropriate nonprofit status, governance records, meeting records, financial records, and conflict-of-interest policies;
- e. Preparing and submitting required TCA reports, updates, applications, and documentation;
- f. Maintaining communication with the City regarding major district activities, funding requests, signage plans, boundary changes, and public-facing initiatives;
- g. Ensuring that official district-level communications and initiatives remain broadly civic, inclusive, nonpartisan, and aligned with the tourism and public benefit purposes of the Cultural District; and
- h. Not representing that the City owns, manages, funds, or controls the Cultural District unless expressly authorized in writing by the City.

C. Coordination with City Tourism Structure

The parties acknowledge that the City has established a Tourism Advisory Board and Downtown and Tourism Department pursuant to Chapter 65 of the City of Lockhart Code of Ordinances.

The CDME may coordinate with the Tourism Advisory Board, Downtown and Tourism Department, and participating community organizations regarding tourism promotion, cultural programming, visitor engagement, district marketing, wayfinding, and related initiatives associated with the proposed Cultural District.

The City Manager may designate a City representative, including the Downtown and Tourism Director, to serve as a liaison to the CDME for coordination and communication purposes.

Nothing in this MOU shall be construed as granting the City, Tourism Advisory Board, or Downtown and Tourism Department authority over the governance, bylaws, internal operations, or nonprofit affairs of the CDME as an independent nonprofit organization. However, the City retains oversight authority related to the CDME's role, responsibilities, use of City-supported resources or branding, and compliance with the provisions, standards, approvals, and obligations established under this MOU and applicable law. Nothing herein

shall be construed as granting the CDME authority over City boards, commissions, departments, operations, or governmental functions.

4. FUNDING, GRANTS, AND USE OF CITY RESOURCES

TCA has advised that eligible arts nonprofits located within a designated Cultural District may qualify for Cultural District project funding opportunities for projects occurring within the district and including a tourism component, subject to TCA eligibility requirements.

TCA has further advised that the district manager may apply for district-wide projects, including signage, wayfinding, banners, or district marketing, subject to applicable eligibility and funding requirements.

The CDME shall make reasonable efforts to share relevant Cultural District grant information with eligible organizations located within the district and shall not represent that Cultural District-related opportunities are limited only to participating organizations unless required by TCA or another grant-making entity.

The CDME shall obtain written City approval before naming the City as a partner, fiscal agent, funding source, property owner, responsible party, or required participant in any grant application.

This MOU does not obligate the City to provide funding, staff support, equipment, facilities, insurance, maintenance, sponsorships, or other resources.

Any request for City funding, including Hotel Occupancy Tax funding, shall remain subject to applicable law and the City's established application, review, budget, procurement, ethics, conflict-of-interest, and approval processes, as may be amended.

Any use of City staff time, City property, City equipment, City sponsorship, City funding, or public infrastructure must be approved in advance by the City Manager or designee and, where required, by City Council.

5. SIGNAGE, BRANDING, AND PUBLIC REPRESENTATIONS

The parties acknowledge that signage, wayfinding, banners, public art, district branding, and district markers may be important tools for establishing the public identity of the Cultural District.

The CDME shall obtain prior written approval from the City before installing, placing, displaying, or modifying any Cultural District signage, banners, wayfinding elements, public art, temporary installations, or district markers on:

- a. City-owned property;

- b. Public rights-of-way;
- c. Streets, sidewalks, light poles, traffic control devices, parks, plazas, or public buildings;
or
- d. Any location requiring City permit, inspection, maintenance, or approval.

The City shall retain final authority over design approval, placement, installation, duration, maintenance, removal, public safety, ADA/accessibility considerations, and compatibility with City standards for any signage or district marker located on City property or within the public right-of-way.

Nothing in this MOU grants permission for the CDME to install signage or use City infrastructure without the required approvals.

The CDME may reference the City’s support of the Cultural District application after the City has issued a formal letter, resolution, or other written statement of support.

The CDME shall not use the City’s official seal, logo, letterhead, branding, or other official marks without prior written approval.

The CDME shall not represent that the City has approved specific programs, political positions, expenditures, signage, grants, public statements, or advocacy positions unless such approval has been expressly granted in writing.

6. PUBLIC TRUST, ETHICS, AND COMMUNITY STANDARDS

A. Public Purpose and Neutrality

Because the Cultural District will carry the Lockhart name and may be publicly associated with the City, the CDME agrees that official district-level communications, district branding, official district programming, events, activities, City-supported materials, and City-funded activities shall remain consistent with broad public cultural, educational, tourism, historic preservation, and economic development purposes.

The CDME shall not use official district-level communications, district branding, official district programming, events, activities, resources, City-supported materials, and/or City-funded activities for:

- a. Partisan political activity;
- b. Endorsement or opposition of candidates for public office;
- c. Campaign activity;
- d. Discriminatory activity;

- e. Activities inconsistent with applicable federal, state, or local law; or
- f. Public or private communications or activities that imply endorsement of a political, ideological, religious, or advocacy position, or that involve obscene and/or sexually oriented content, or programming inconsistent with generally applicable City standards for family-friendly public events and community programming.

B. Community Standards and Artistic Expression

Nothing in this MOU is intended to limit lawful artistic expression by individual artists, performers, organizations, or venues operating independently of official Cultural District messaging or City-supported programming.

However, nothing in this MOU shall be construed as requiring the City to sponsor, endorse, fund, promote, approve, or publicly associate itself with content, displays, performances, exhibitions, or programming that the City determines to be obscene, sexually oriented, discriminatory, unlawful, or otherwise inconsistent with the City’s generally applicable standards for family-friendly public programming, use of public property, tourism promotion, or community events serving a broad public audience.

C. Conflicts of Interest and Private Benefit

The parties acknowledge that the proposed Cultural District is intended to serve a broad public tourism, cultural, educational, historic preservation, and economic development purpose benefiting the greater Lockhart community.

The CDME agrees that the Cultural District designation, City support, City association, and any City-supported resources or opportunities shall not be used primarily for the personal financial gain, private commercial advantage, preferential treatment, or improper benefit of any individual, board member, officer, employee, volunteer, affiliated organization, business, donor, sponsor, contractor, or related party.

The CDME shall make reasonable efforts to administer Cultural District-related activities, partnerships, sponsorships, marketing opportunities, event participation, public communications, and grant-related coordination in a fair, transparent, and community-oriented manner.

No officer, board member, employee, contractor, or affiliated party of the CDME shall use the Cultural District designation or representations of City support to improperly secure preferential treatment, exclusive access, financial opportunities, endorsements, sponsorship advantages, permitting advantages, or public benefits unavailable to similarly situated organizations or businesses.

The CDME shall not condition participation in Cultural District activities, marketing, partnerships, district promotion, or access to publicly promoted opportunities on political support, personal relationships, financial contributions, or affiliation with any specific organization or individual.

D. Inclusivity and Community Representation

The CDME shall make reasonable efforts to ensure that the Cultural District reflects and welcomes the broader Lockhart community, including longtime residents, new residents, Hispanic/Latino residents, working artists, youth, families, downtown businesses, heritage organizations, and cultural traditions.

The CDME is encouraged to maintain inclusive outreach practices, support bilingual or accessible public-facing materials where appropriate, and coordinate with community organizations that represent Lockhart's diverse cultural identity.

E. Remedies and Corrective Actions

In the event the City determines that the CDME has used the Cultural District designation, district branding, official district programming, events, activities, City-supported materials, City branding, City-approved signage, or representations of City support in a manner inconsistent with this MOU or applicable law, the City may provide written notice describing the concern and requesting corrective action.

If the issue is not timely corrected to the reasonable satisfaction of the City, the City may:

- a. Require removal or discontinuation of unauthorized or noncompliant materials, branding, signage, or communications;
- b. Revoke authorization for use of City logos, branding, sponsorship references, or other City-supported representations;
- c. Suspend or discontinue City participation, coordination, sponsorship, promotional support, or use of City resources related to the applicable activity or initiative;
- d. Deny or discontinue discretionary City funding or partnership support associated with the applicable activity, subject to applicable law and City policy; and/or
- e. Treat repeated or material violations of this MOU as grounds for termination pursuant to the termination provisions herein.

Nothing in this Section shall be construed as granting the City editorial control over artistic expression or independently produced content that is not presented as official Cultural District messaging or City-supported communication.

7. REPORTING, DATA SHARING, AND DISTRICT OVERSIGHT

The CDME shall provide the City with an annual Cultural District update, which may include:

- a. A copy of the annual TCA report or summary submitted to TCA;
- b. A summary of district coordination activities and participating organizations;
- c. Visitor tracking data, where available;
- d. Event attendance estimates, where available;
- e. Marketing metrics, where available;
- f. Grant applications and grant awards related to the Cultural District;
- g. Signage, wayfinding, or public infrastructure updates;
- h. Any proposed boundary or governance changes;
- i. Requests for City assistance in the upcoming year; and
- j. Any known issues affecting district continuity or compliance.

The City may provide visitor data, tourism statistics, Hotel Occupancy Tax information, or other relevant data where available and appropriate to support Cultural District reporting and evaluation.

8. DISTRICT CONTINUITY AND SUCCESSOR MANAGEMENT

The parties acknowledge the importance of continuity if the CDME becomes unable or unwilling to fulfill its responsibilities, or if this MOU is terminated while the Cultural District designation remains active.

If the CDME dissolves, becomes inactive, loses required nonprofit status, no longer has the capacity or desire to manage the Cultural District, or if this MOU is terminated, the CDME shall notify the City in writing as soon as practicable and shall cooperate in good faith with the City and the Texas Commission on the Arts (“TCA”) regarding continuity planning and any potential transition of Cultural District Management Entity responsibilities in accordance with this MOU and applicable TCA requirements.

In such event, the CDME and City may work cooperatively with TCA and district stakeholders to identify an appropriate successor management entity, which may include another eligible nonprofit organization, governmental entity, or the City, subject to City Council approval.

Nothing in this MOU obligates the City to become the successor CDME or to assume management of the Cultural District.

9. DISTRICT BOUNDARIES

The CDME shall notify the City before submitting any proposed change to the Cultural District boundary to TCA or any other entity.

Any proposed boundary change affecting City planning, public property, downtown development, tourism strategy, signage, or infrastructure should be reviewed with the City before submission and shall not conflict with applicable federal, state, and local laws, regulations, ordinances, policies, permitting requirements, and governmental standards.

10. TERM, TERMINATION, AND AMENDMENT

This MOU shall become effective upon approval and signature by both parties and shall remain in effect for an initial term of three years unless terminated earlier by either party.

Either party may terminate this MOU with thirty (30) days’ written notice to the other party.

Termination of this MOU does not necessarily terminate the Cultural District designation, the CDME’s relationship with TCA, or any independent obligations the CDME may have to TCA.

Upon termination, the CDME shall cease representing an active formal partnership with the City unless otherwise authorized in writing. If the Cultural District designation is to remain active following termination of this MOU, the CDME shall cooperate in good faith with the City and TCA regarding transfer of the Cultural District Management Entity designation in accordance with Section 8 of this MOU and TCA requirements.

This MOU may be amended only by written agreement signed by authorized representatives of both parties.

11. GENERAL PROVISIONS

Nothing in this MOU shall be construed as a waiver of the City’s governmental immunity, sovereign immunity, statutory protections, or defenses under Texas law.

NOTICES AND POINTS OF CONTACT

For the City:

Tiffany Hutchinson-Padilla
Downtown & Tourism Director
City of Lockhart
215 E. Market Street, Lockhart TX
(737) 357-7458
tpadilla@lockhart-tx.org

For the CDME:

Gaslight-Baker Theatre
Attn: _____
Cultural District Committee Chair
216 South Main Street, Lockhart TX
Phone: _____
Email: _____

SIGNATURES

CITY OF LOCKHART, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

GASLIGHT-BAKER THEATRE

By: _____

Name: _____

Title: _____

Date: _____

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Presentation from NewGen Strategies & Solutions regarding the City's electric rate study and discussion and/or action on a proposed five-year electric utility rate plan.

ORIGINATING DEPARTMENT AND CONTACT: Finance - Keeli Howard

ACTION REQUESTED: Consensus

BACKGROUND/SUMMARY/DISCUSSION: NewGen Strategies & Solutions completed an electric rate study for the City of Lockhart Electric Utility to evaluate revenue requirements, cost of service, rate design, and long-term financial sustainability of the electric system.

The study includes recommendations for a proposed five-year rate strategy intended to improve revenue adequacy, increase fixed-cost recovery, align customer classes more closely with cost of service principles, and support the long-term financial stability of the electric utility system. The proposed rate plan also includes phased implementation of rate adjustments intended to minimize customer impacts and avoid rate shock.

NewGen Strategies & Solutions will provide a presentation of the study findings and recommendations, including proposed rate adjustments for residential, commercial, demand, and contract customer classes, as well as discussion related to future utility financial planning and capital needs. If approved, proposed rate adjustments are recommended to begin with the second billing cycle in November 2026, consistent with previous rate adjustments in the water and wastewater utilities.

If Council provides direction to proceed with the proposed rate plan, staff will return at a future meeting with an ordinance establishing the proposed electric rates and implementation schedule.

PROJECT SCHEDULE (if applicable): Proposed phased implementation: FYE 2027 – FYE 2031.

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable): The proposed rate strategy is intended to support long-term financial stability and revenue adequacy for the City's electric utility system.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION:

LIST OF SUPPORTING DOCUMENTS: City of Lockhart_COS and Rates Presentation



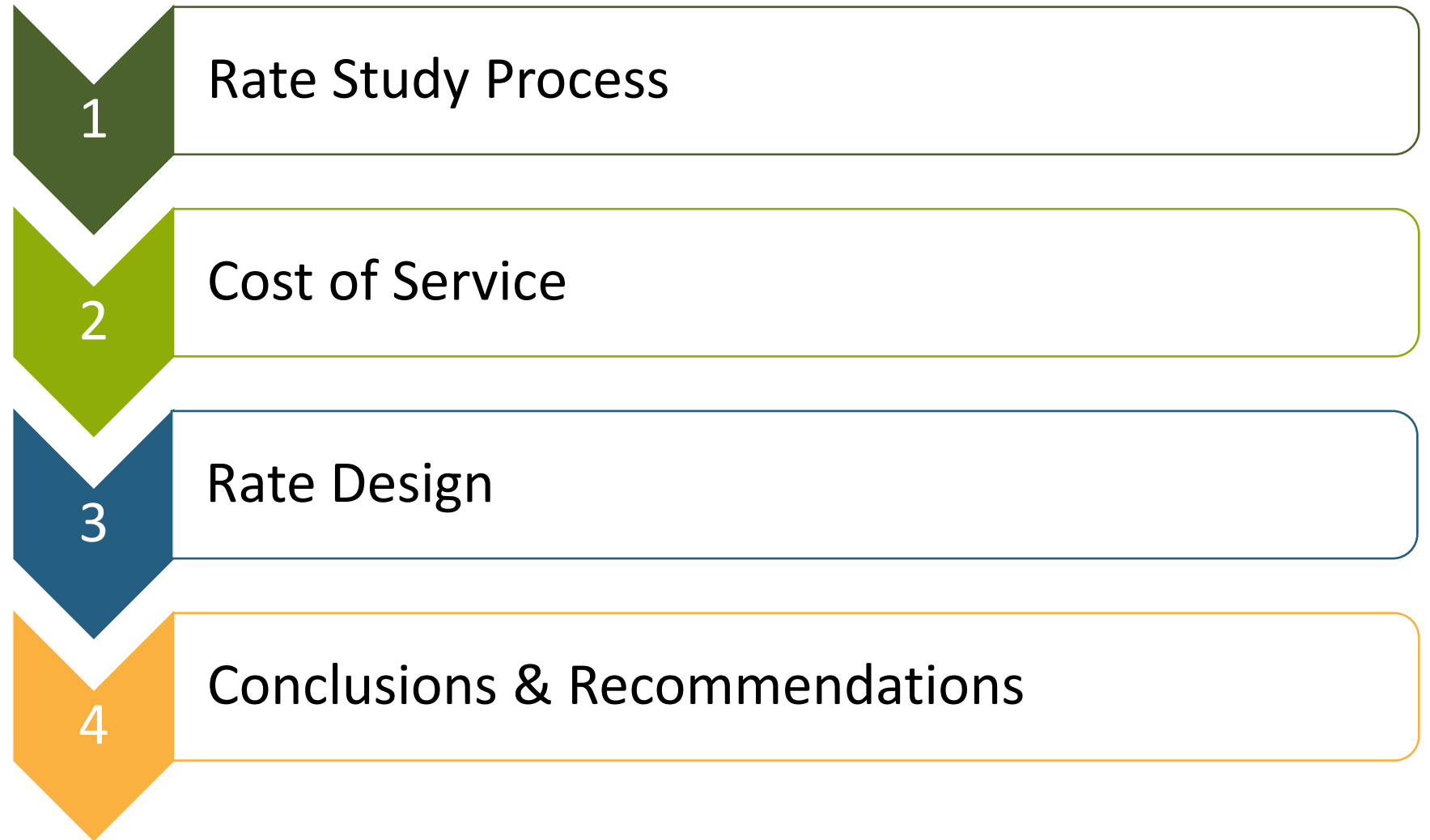
June 2, 2026

CITY OF LOCKHART, TEXAS ELECTRIC RATE STUDY

CITY OF
Lockhart
TEXAS

NewGen
Strategies & Solutions

AGENDA





RATE STUDY PROCESS

WHY CONDUCT A RATE STUDY?

- Understand the utility's costs and drivers:
 - Different costs to serve different customer classes.
- Set rates to collect sufficient revenue:
 - Fair and equitable.
 - Fixed-cost recovery.
 - Send the customer pricing signals.
 - Understand effects on customers.
- Defensible rates:
 - Industry standard methods.

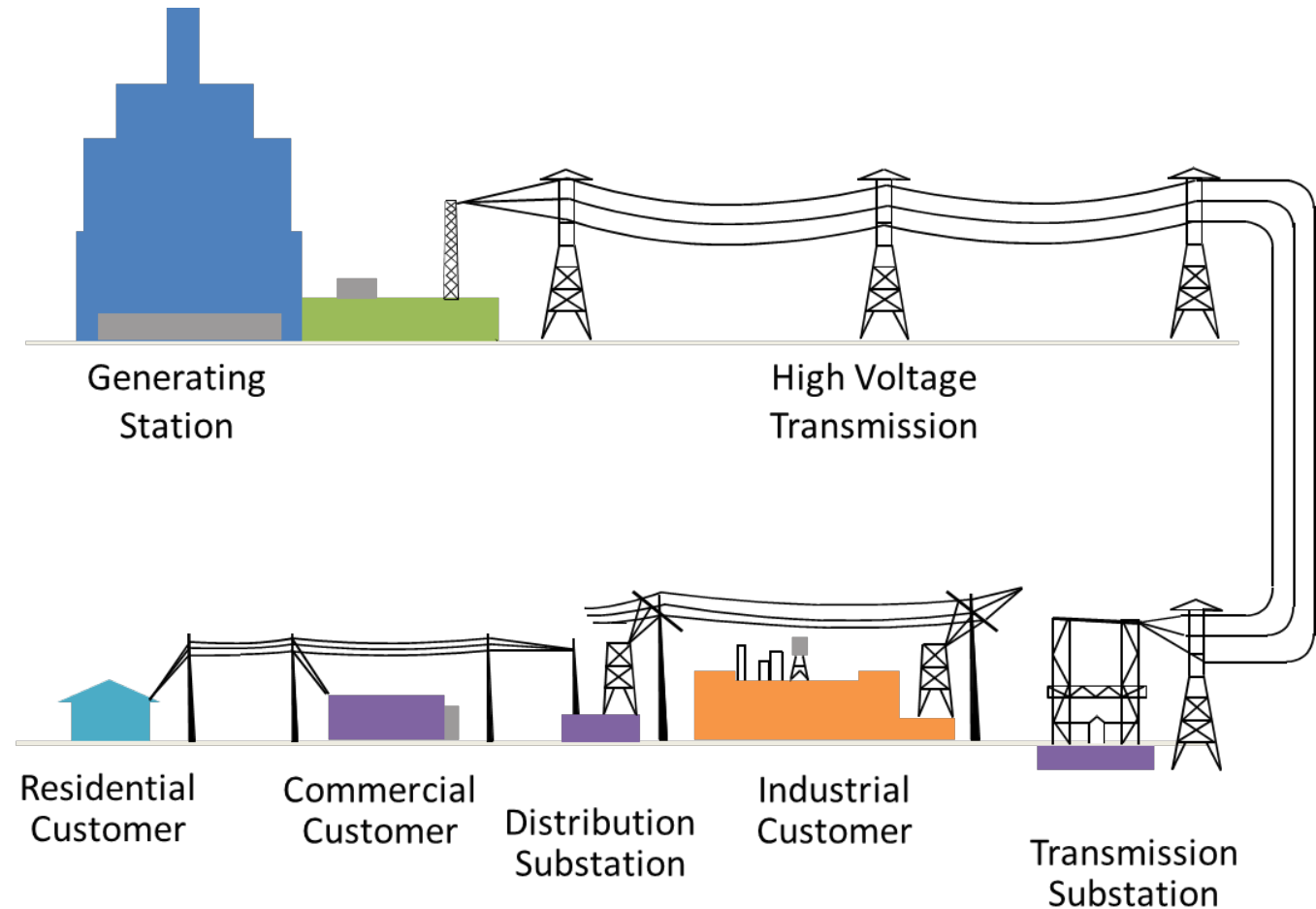
WHEN TO CONDUCT A RATE STUDY?

- Cash reserve issues.
- Changes in customer load (large customer, electrification, distributed generation).
- Change in power supply (utility-owned, contract, market).
- Change in capital plan/funding needs.
- Change in operating costs.
- Change in technology (advanced metering infrastructure).
- Length of time since last study:
 - Industry standard is typically every three to five years.



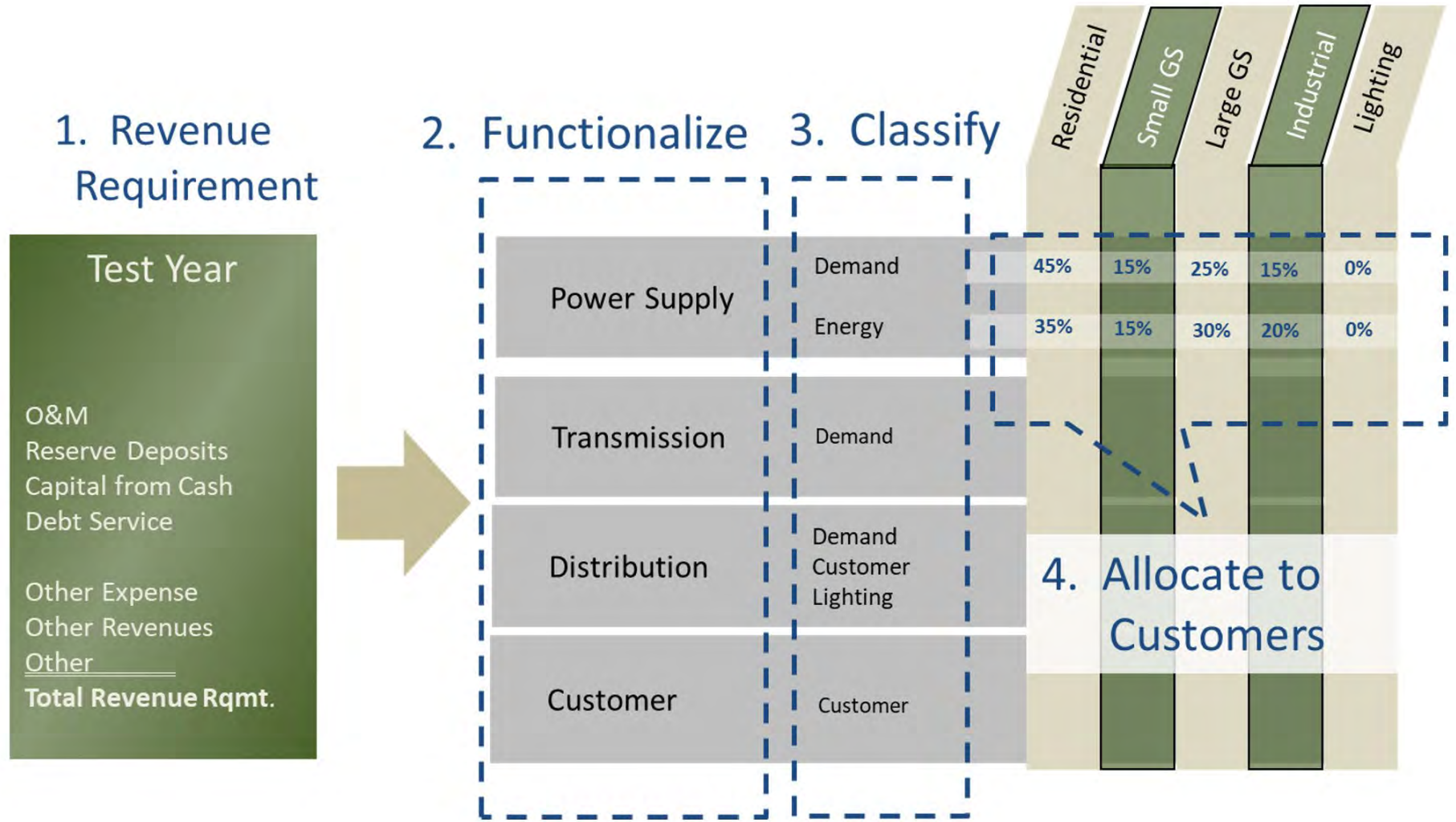
COST OF SERVICE

SERVICES PROVIDED TO CUSTOMERS



- Where does the customer take power on the system (voltage)?
- When does the customer use power (customer load profile)?

COST OF SERVICE MODEL DESIGN



Generic example, not specific to the City.

REVENUE REQUIREMENT

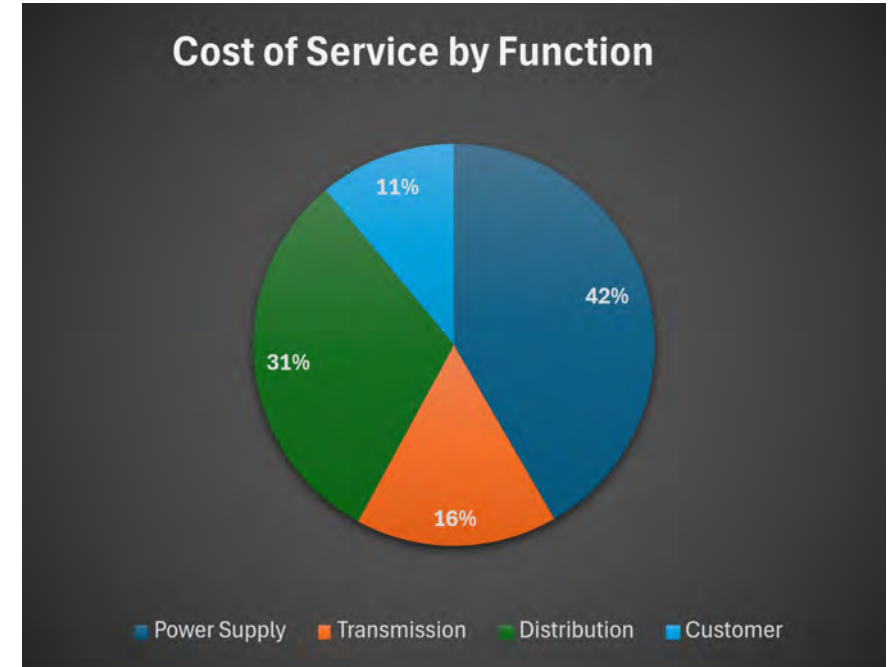
Component	Amount (\$000)
Operations and Maintenance (O&M)	
Non-Departmental	\$9,309
Distribution	\$2,047
Utility Billing	\$1,558
Total O&M	\$12,914
Capital Outlay	\$1,128
Debt Service	\$71
General Fund Transfer	\$2,605
Other (Income)/Expenses	(\$848)
Revenue Requirement	\$15,870

Note: Revenue Requirement is based on an average of fiscal year (FY) 2027 through FY 2031.

COST OF SERVICE: FUNCTIONALIZED

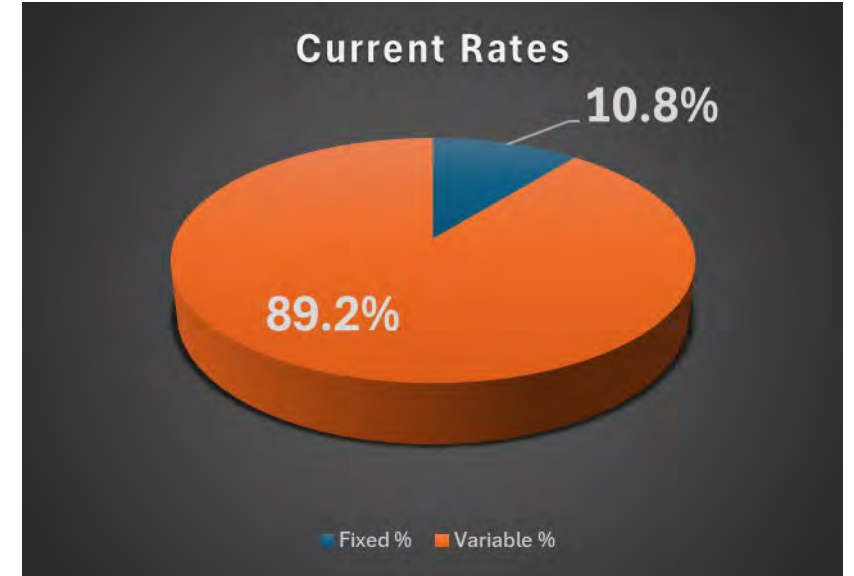
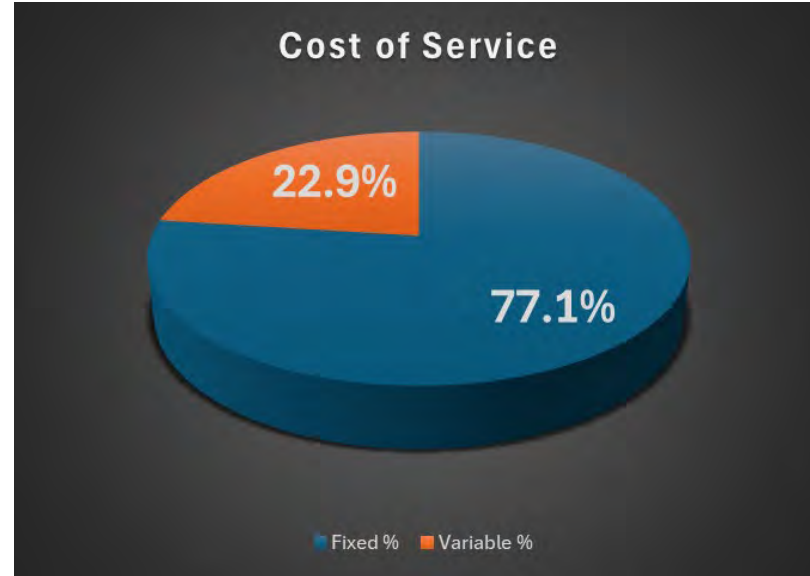
Cost of Service Function	Amount (\$000)	\$/kWh (sales)	% of Total
Power Supply	\$6,611	\$0.05058	42%
Transmission	\$2,582	\$0.01976	16%
Distribution	\$4,928	\$0.03771	31%
Customer	\$1,749	\$0.01338	11%
Revenue Requirement	\$15,870	\$0.12143	100%

Note: Transmission, Distribution, Customer, and a portion of Power Supply costs are primarily fixed in nature and do not vary with changes in energy consumption.



COST OF SERVICE

Fixed versus Variable Cost Recovery



Cost of Service Function	Cost Classifications
Power Supply	Demand-Related, Energy-Related
Transmission	Demand-Related
Distribution	Demand-Related, Customer-Related, Direct Assignments
Customer Service	Customer-Related

COST OF SERVICE RESULTS

Class	Cost of Service (\$000)	Test Year Revenues at Current Rates (\$000)	Over/(Under) Cost Recovery (\$000)	% Over/(Under) Cost Recovery
Residential	\$9,728	\$8,572	(\$1,156)	(11.9%)
General Service	\$2,315	\$2,394	\$80	3.4%
General Service Demand	\$2,976	\$3,420	\$444	14.9%
Contract Rates	\$851	\$914	\$63	7.4%
Total	\$15,870	\$15,301	(\$569)	(3.6%)



RATE DESIGN

COST OF SERVICE TO RATE DESIGN

Cost of Service

- Revenue Requirement
- Functionalize
- Classify
- Allocate

Guide for cost-based rates

Ratemaking

- Policy decisions
- Incentivize behavior
- Rates do not always match cost of service (but should be informed by cost of service)

Rates

- Collect sufficient revenue
- Support community goals
- Support utility goals
- Price signal to customers:
 - Convey information
 - Change behavior

BONBRIGHT'S PRINCIPLES OF PUBLIC UTILITY RATES

- *Bonbright's Principles of Public Utility Rates:
 1. *Practical, readily understandable, acceptable, and feasible to apply.*
 2. *Uncontroversial as to interpretation.*
 3. *Effective in meeting revenue requirements.*
 4. *Stable from a revenue perspective.*
 5. *Stable from a rate perspective.*
 6. *Fairness among customer classes.*
 7. *Avoidance of undue discrimination.*
 8. *Economically efficient, discouraging wasteful use of services and promoting optimal offerings of services.*
- Acknowledge important role rate design plays in signaling desired behavior.



* Bonbright, "Principles of Public Utility Rates", Columbia University Press (1st ed., 1961).

RATE DESIGN APPROACH

- Set rates to recover costs by the end of five-year period (2027–2031).
- Adjust rates to bring customer classes toward cost of service.
- Continue Capital Improvement Rate (CIR) Charge at current levels.
- Rate Mitigation Charge (RMC) not included in Study – expected to continue working as net-zero rate mitigation in each FY.
- Increase fixed-cost recovery of each class.
- Combine Contract A and B rates by the end of the five-year period.
- Gradually adjust rates over the five-year period to avoid rate shock.

RESIDENTIAL CUSTOMER CLASS - PROPOSED RATES

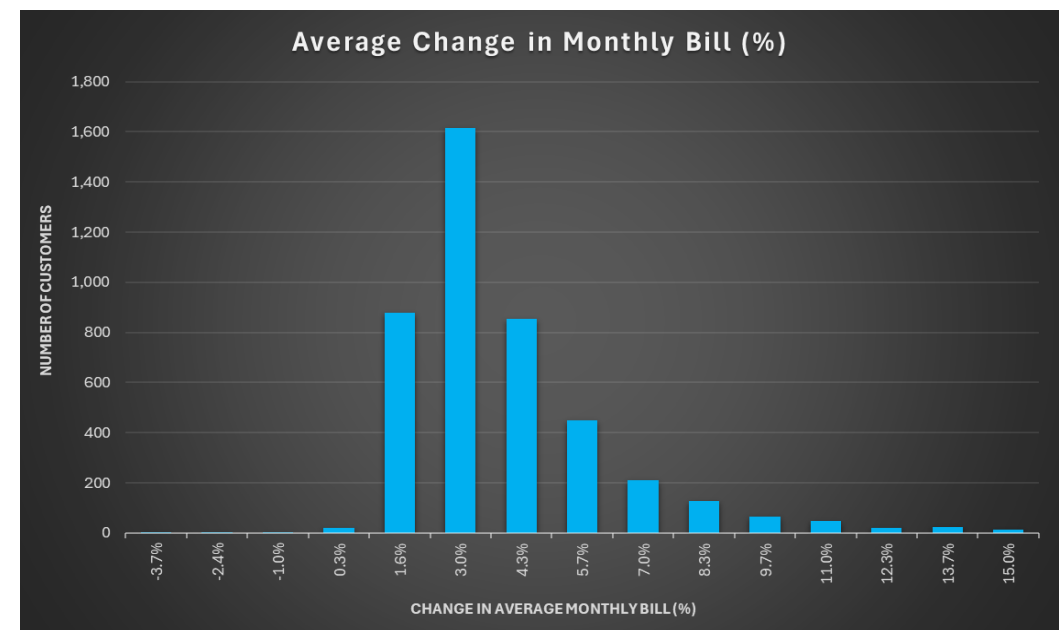
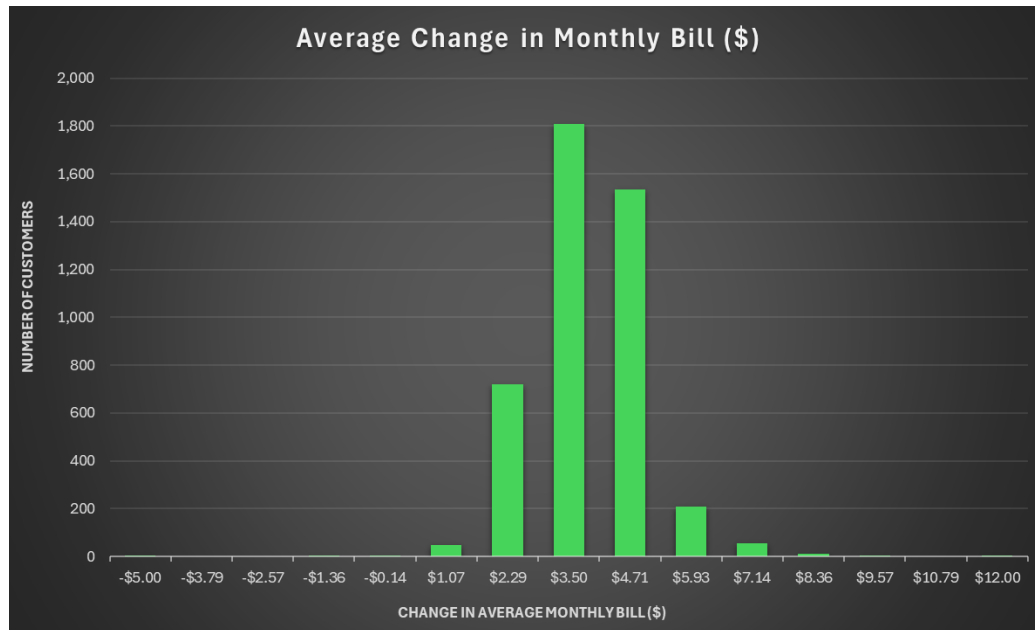
Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$0.01896	\$0.02465	\$0.02539	\$0.02666
Tier 2 (+1,200 kWh)	\$0.03250	\$0.04225	\$0.04352	\$0.04570
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050

RESIDENTIAL CUSTOMER CLASS- MONTHLY BILL

Rate Component ⁽¹⁾	Current Bill	Phase 1 Bill	Phase 2 Bill	Phase 3 Bill
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$22.75	\$29.58	\$30.47	\$31.99
Tier 2 (+1,200 kWh)	\$ -	\$ -	\$ -	\$ -
Capital Improvement Rate (CIR)(\$/kWh)	\$2.70	\$2.70	\$2.70	\$2.70
Regulatory Charge (REG) (\$/kWh)	\$0.60	\$0.60	\$0.60	\$0.60
Purchased Power Cost (PPC) (\$/kWh)	\$92.48	\$81.82	\$83.06	\$84.32
Monthly Bill (1,200 kWh)	\$129.85	\$130.70	\$133.83	\$139.61
Change from Prior Phase (%)		0.6%	2.4%	4.3%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

RESIDENTIAL BILLING IMPACTS CURRENT TO PHASE 1

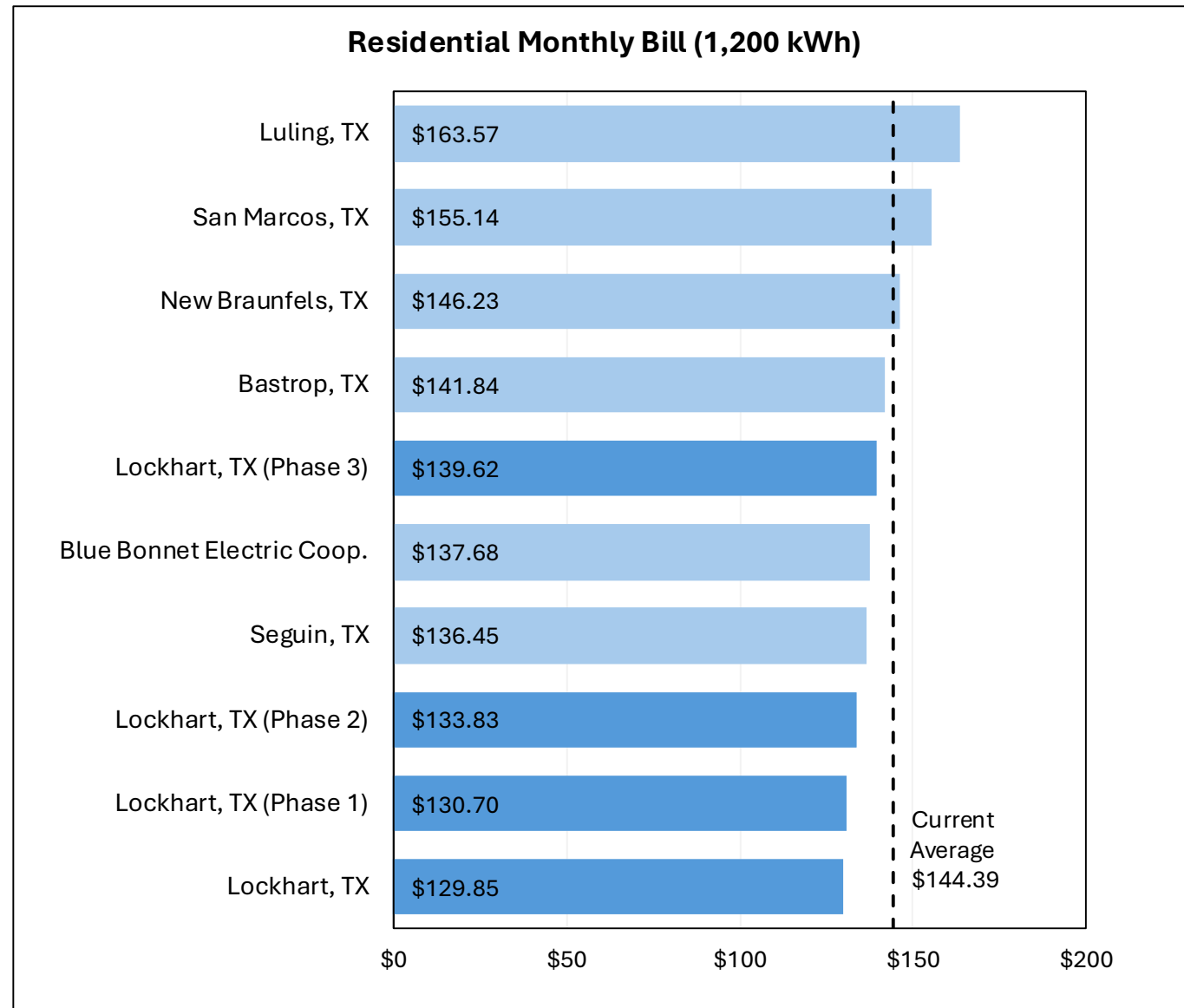


Median Impact (\$): **\$3.23**

Median Impact (%): **2.6%**

Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

RESIDENTIAL BENCHMARKING



Assumes the same pass-through of PPCs for all other utilities.

GENERAL SERVICE CLASS – PROPOSED RATES

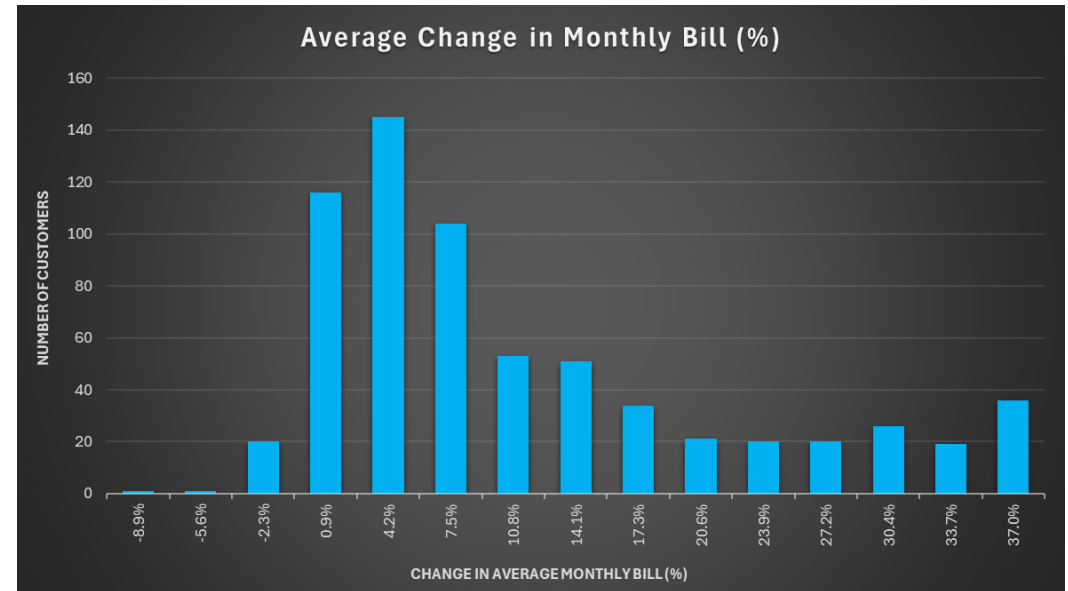
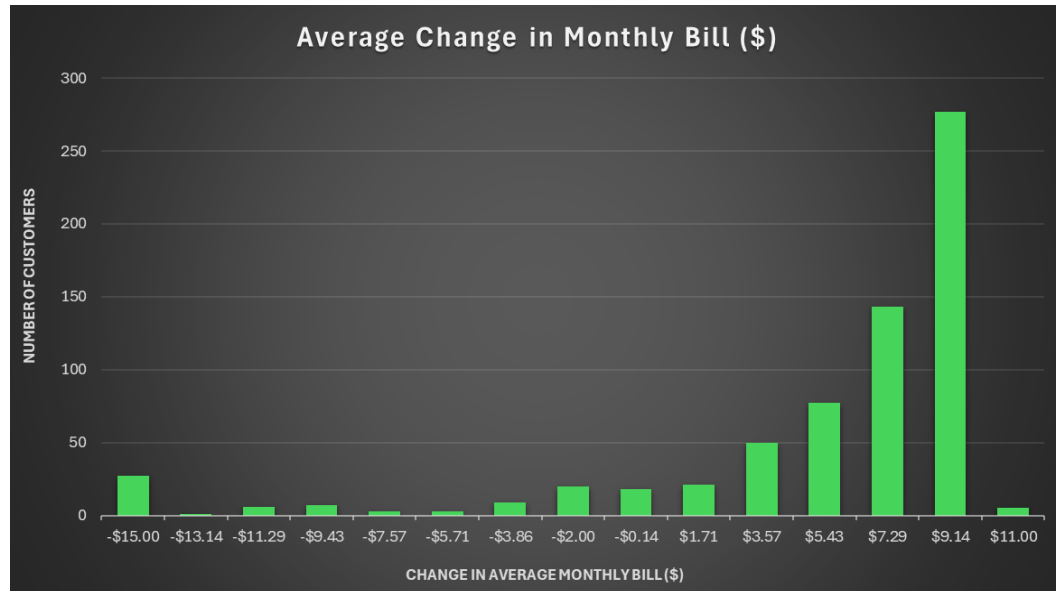
Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 6,000 kWh)	\$0.03582	\$0.04119	\$0.04119	\$0.04119
Tier 2 (+6,000 kWh)	\$0.00250	\$0.00288	\$0.00288	\$0.00288
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050

GENERAL SERVICE CLASS – MONTHLY BILL

Rate Component ⁽¹⁾	Current Bill	Phase 1 Bill	Phase 2 Bill	Phase 3 Bill
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50
Energy Charges (\$/kWh)				
Tier 1 (0 - 1,200 kWh)	\$60.89	\$70.02	\$70.02	\$70.02
Tier 2 (+1,200 kWh)	\$ -	\$ -	\$ -	\$ -
Capital Improvement Rate (CIR)(\$/kWh)	\$3.83	\$3.83	\$3.83	\$3.83
Regulatory Charge (REG) (\$/kWh)	\$0.85	\$0.85	\$0.85	\$0.85
Purchased Power Cost (PPC) (\$/kWh)	\$131.01	\$115.91	\$117.67	\$119.46
Monthly Bill (1,700 kWh)	\$220.00	\$222.61	\$225.37	\$227.66
Change from Prior Phase (%)		1.2%	1.2%	1.0%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE BILLING IMPACTS CURRENT TO PHASE 1



Median Impact (\$): **\$6.70**

Median Impact (%): **5.5%**

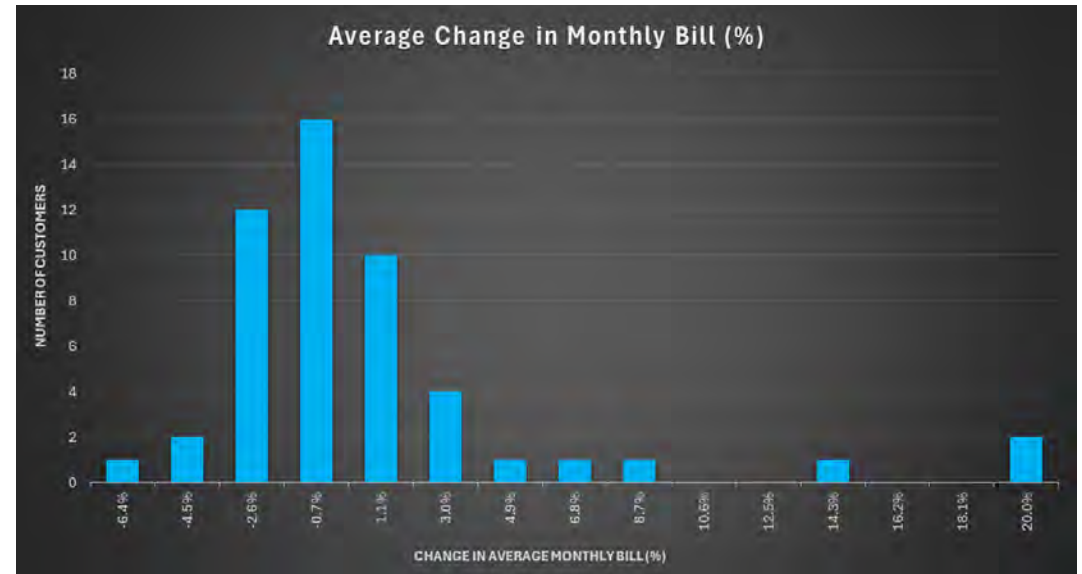
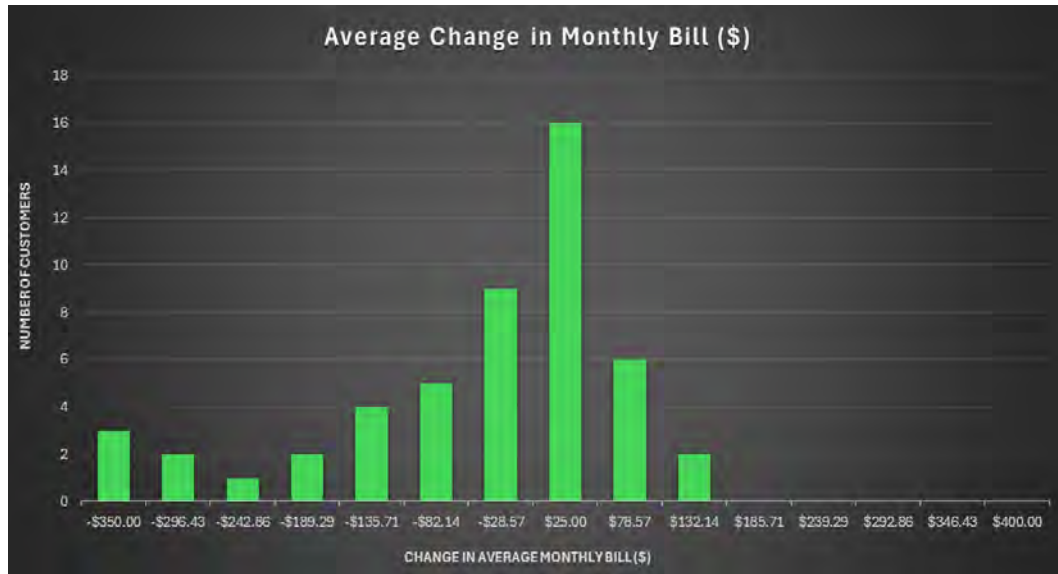
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

GENERAL SERVICE DEMAND CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$33.42	\$47.00	\$47.50	\$47.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 20,000 kWh)	\$0.03288	\$0.03387	\$0.03387	\$0.03387
Tier 2 (20,000+ kWh)	\$0.00250	\$0.00258	\$0.00258	\$0.00258
Demand Charge (\$/kW)	\$5.75	\$7.25	\$7.25	\$7.25
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (27,000 kWh & 100 kW)	\$2,880	\$2,931	\$2,978	\$2,999
Change from Prior Phase (%)		2.0%	0.7%	0.7%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE DEMAND IMPACTS CURRENT TO PHASE 1



Median Impact (\$): **(\$40.89)**

Median Impact (%): **-1.2%**

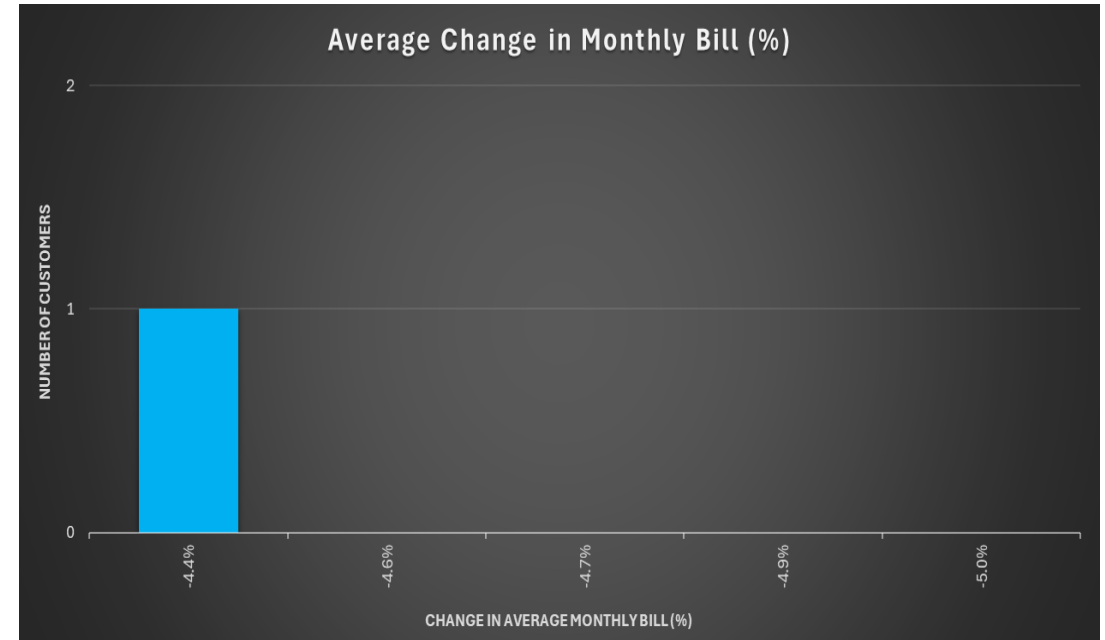
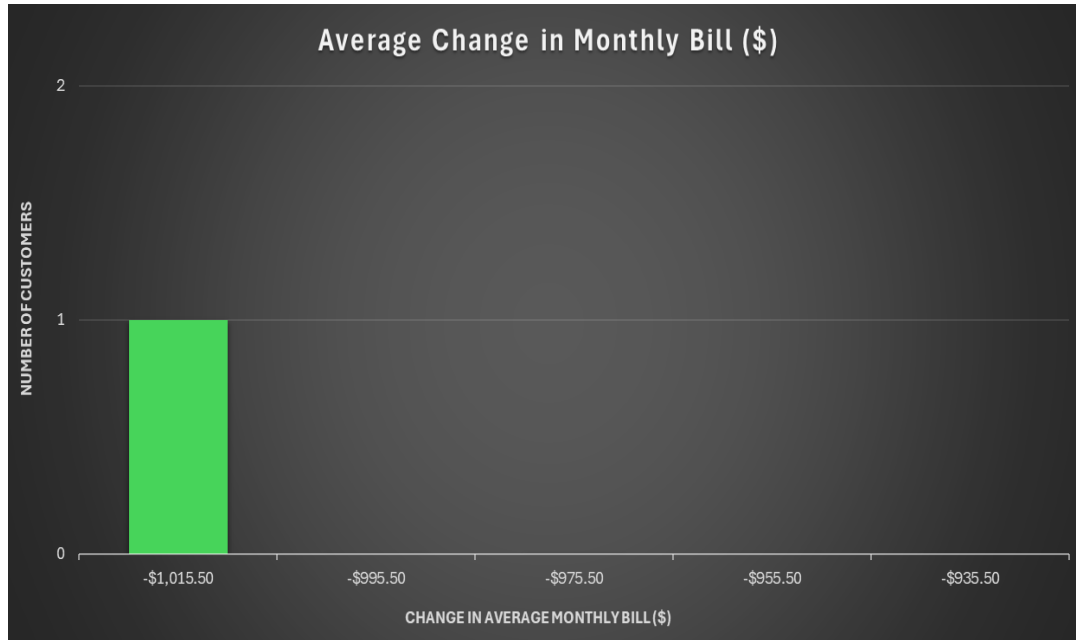
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

CONTRACT RATE A

Rate Component ⁽¹⁾	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 120,000 kWh)	\$0.04599	\$0.05197	\$0.05197	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (160,000 kWh & 400 kW)	\$15,241	\$14,918	\$15,045	\$15,171
Change from Prior Phase (%)		-2.1%	0.8%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT A BILLING IMPACTS CURRENT TO PHASE 1



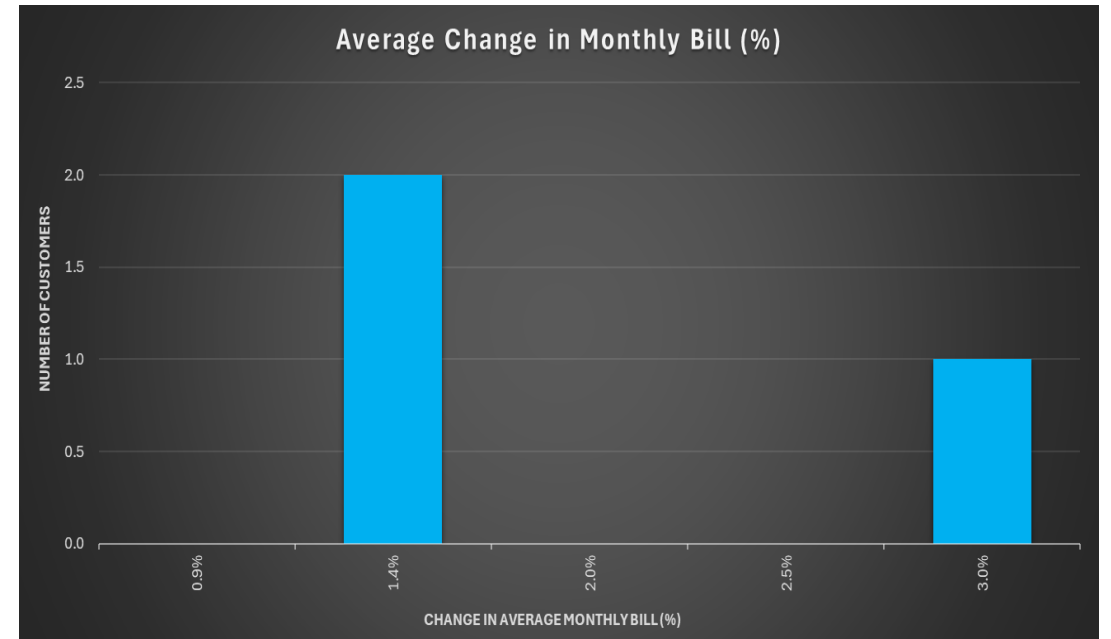
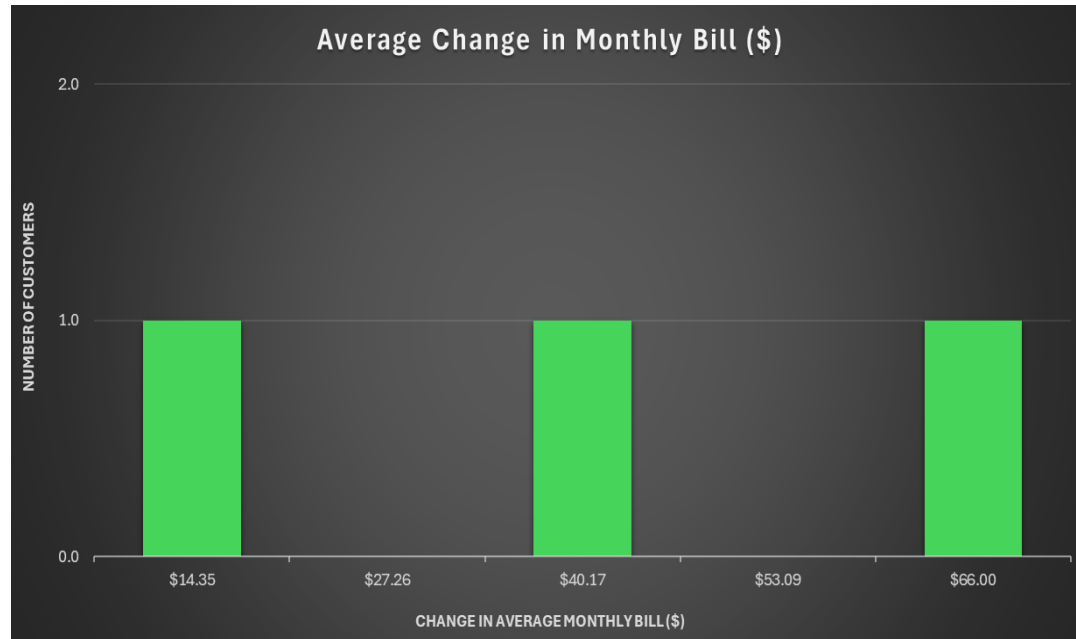
Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.

CONTRACT RATE B

Rate Component	Current Rates	Phase 1	Phase 2	Phase 3
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50
Energy Charges (\$/kWh)				
Tier 1 (0 – 120,000 kWh)	\$0.02259	\$0.03276	\$0.03931	\$0.04560
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00050	\$0.00050	\$0.00050
Monthly Bill (160,000 kWh & 400 kW)	\$2,604	\$2,649	\$2,841	\$3,024
Change from Prior Phase (%)		1.7%	7.2%	6.5%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT B BILLING IMPACTS CURRENT TO PHASE 1



Note: Bill impact graphs created using representative customer data. Based on all customers with 12 months of usage in FY25.



CONCLUSIONS & RECOMMENDATIONS

CONCLUSIONS

- The Study confirms that current rates are insufficient to meet the forecasted revenue requirement.
- Equity and fairness considerations suggest moving toward cost-based rates while minimizing customer impacts.
- Contract A and B Rates will be aligned by Year 5 to simplify these rate offerings into one class.
- Overall, the proposed changes will improve revenue adequacy, fairness, fixed-cost recovery, and long-term financial stability for the City of Lockhart.

RECOMMENDATIONS

- Approve the proposed five-year rate strategy to ensure financial stability.
- Continue the Capital Improvement Rate (CIR) at current levels.
- Harmonize the Contract Rates to simplify rate offerings.
- Phase in rate changes gradually to minimize customer impacts and avoid rate shock.
- Continue monitoring financial performance and schedule future rate reviews every three to five years.



QUESTIONS?

NEWGEN STRATEGIES AND SOLUTIONS, LLC
225 UNION BLVD., SUITE 450
LAKWOOD, CO 80228

GRANT RABON, PARTNER
GRABON@NEWGENSTRATEGIES.NET
(512) 900-8232

JACK BUCKLEY, MANAGER
JBUCKLEY@NEWGENSTRATEGIES.NET
(303) 557-7700



APPENDIX

NEWGEN STRATEGIES AND SOLUTIONS, LLC
225 UNION BLVD., SUITE 450
LAKEWOOD, CO 80228

RESIDENTIAL CUSTOMER CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$11.32	\$16.00	\$17.00	\$20.00	\$23.00	\$26.50
Energy Charges (\$/kWh)						
Tier 1 (0 - 1,200 kWh)	\$0.01896	\$0.02465	\$0.02539	\$0.02666	\$0.02853	\$0.03053
Tier 2 (+1,200 kWh)	\$0.03250	\$0.04225	\$0.04352	\$0.04570	\$0.04890	\$0.05232
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (1,200 kWh)	\$129.85	\$130.70	\$133.83	\$139.62	\$146.13	\$153.33
Change from Prior Phase (%)		0.6%	2.4%	4.3%	4.7%	4.9%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$23.42	\$32.00	\$33.00	\$33.50	\$34.00	\$34.00
Energy Charges (\$/kWh)						
Tier 1 (0 – 6,000 kWh)	\$0.03582	\$0.04119	\$0.04119	\$0.04119	\$0.04119	\$0.04119
Tier 2 (+6,000 kWh)	\$0.00250	\$0.00288	\$0.00288	\$0.00288	\$0.00288	\$0.00288
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (1,700 kWh)	\$220.00	\$222.60	\$225.37	\$227.66	\$229.96	\$231.80
Change from Prior Phase (%)		1.2%	1.2%	1.0%	1.0%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

GENERAL SERVICE DEMAND CLASS

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$33.42	\$47.00	\$47.50	\$47.50	\$47.50	\$47.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 20,000 kWh)	\$0.03288	\$0.03387	\$0.03387	\$0.03387	\$0.03387	\$0.03387
Tier 2 (20,000+ kWh)	\$0.00250	\$0.00258	\$0.00258	\$0.00258	\$0.00258	\$0.00258
Demand Charge (\$/kW)	\$5.75	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (27,000 kWh & 100 kW)	\$2,880	\$2,931	\$2,978	\$2,999	\$3,020	\$3,041
Change from Prior Phase (%)		2.0%	0.7%	0.7%	0.7%	0.7%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT RATE A

Rate Component ⁽¹⁾	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50	\$58.50	\$58.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 120,000 kWh)	\$0.04599	\$0.05197	\$0.05197	\$0.05197	\$0.05197	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (160,000 kWh & 400 kW)	\$15,241	\$14,918	\$15,045	\$15,171	\$15,298	\$15,427
Change from Prior Phase (%)		-2.1%	0.8%	0.8%	0.8%	0.8%

Note (1): Monthly bill calculations include a forecasted PPC for illustrative purposes. No changes to the current PPC calculation process are recommended in this Study.

CONTRACT RATE B

Rate Component	Current Rates	Phase 1 2026	Phase 2 2027	Phase 3 2028	Phase 4 2029	Phase 5 2030
Customer Charge	\$44.32	\$56.50	\$58.50	\$58.50	\$58.50	\$58.50
Energy Charges (\$/kWh)						
Tier 1 (0 – 120,000 kWh)	\$0.02259	\$0.03276	\$0.03931	\$0.04560	\$0.04902	\$0.05197
Tier 2 (120,000+ kWh)	\$0.00250	\$0.00283	\$0.00283	\$0.00283	\$0.00283	\$0.00283
Capital Improvement Rate (CIR)(\$/kWh)	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225	\$0.00225
Regulatory Charge (REG) (\$/kWh)	\$0.00050	\$0.00500	\$0.00500	\$0.00500	\$0.00500	\$0.00500
Monthly Bill (160,000 kWh & 400 kW)	\$2,604	\$2,649	\$2,841	\$3,024	\$3,136	\$3,237
Change from Prior Phase (%)		1.7%	7.2%	6.5%	3.7%	3.2%

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Resolution 2026-23 authorizing the City Manager to enter into a Technical Service Agreement with Strand Associates, Inc. for airport planning and technical support services related to the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

Resolution 2026-23 authorizes the City Manager to enter into a three-year Technical Services Agreement with Strand Associates, Inc. to provide airport planning, engineering, and technical support services related to the Lockhart Municipal Airport.

The City has received increasing interest and inquiries related to aviation development opportunities at the airport, including potential commercial and private hangar development, operational improvements, and other airport-related infrastructure projects. As interest in the airport continues to grow, interim technical and planning assistance is needed to support the City's review of development requests in a coordinated, consistent, and strategic manner.

Under the proposed agreement, Strand Associates, Inc. would provide engineering, scientific, computer-aided drafting, planning, and related technical services through individual task orders authorized by the City. Services may include technical review of airport-related development proposals, hangar development requests, site planning considerations, infrastructure evaluations, and operational planning support. The agreement establishes a framework for future task orders, with compensation and scope to be defined and approved on a project-by-project basis.

Strand Associates, Inc. has experience in aviation and airport planning and would assist the City in evaluating near-term airport development opportunities while supporting long-term planning efforts for the Lockhart Municipal Airport. The agreement is intended to provide interim technical support while the City pursues development of a comprehensive Airport Master Plan, which is anticipated to seek future funding assistance through the Texas Department of Transportation Aviation Capital Improvement Program (ACIP).

Approval of Resolution 2026-23 would authorize the City Manager to execute the Technical Services Agreement with Strand Associates, Inc. and allow the City to obtain technical planning and engineering support services related to airport development and operational planning activities as needed.

City of Lockhart, Texas

Council Agenda Item Cover Sheet

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

FISCAL NOTE (if applicable):

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Resolution 2026-23 authorizing the City Manager to enter into the Technical Service Agreement with Strand Associates, Inc. for airport planning, engineering, and technical support services related to the Lockhart Municipal Airport.

LIST OF SUPPORTING DOCUMENTS: Resolution 2026-23 , Professional Service Agreement- Stand Associates, Inc.

RESOLUTION NO. 2026-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOCKHART, TEXAS, AUTHORIZING AN AGREEMENT FOR TECHNICAL SERVICES WITH STRAND ASSOCIATES, INC. FOR ENGINEERING SERVICES; AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Lockhart, Texas (the “City”), owns and operates a municipal airport;

WHEREAS, the City continues to receive requests for the construction of commercial and private hangars and other airport improvements and has engaged the engineering firm Strand Associates, Inc. (“Strand”) to assist with reviewing construction plans associated with airport construction;

WHEREAS, the City and Strand desire to enter into a three-year Technical Services Agreement (the “Agreement”) for engineering services;

WHEREAS, Strand will provide engineering, scientific, and computer-aided design drafting services, along with associated clerical and administrative activities under the proposed Agreement; and

WHEREAS, the City Council has considered the matter and deems it in the public interest to authorize this action .

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 authorizes a three-year Technical Services Agreement with Strand Associates, Inc. to provide engineering and other technical services as outlined in the Agreement.

Section 3. The City Council hereby authorizes the City Manager to execute any documents necessary to effectuate this Resolution.

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 -
____ day of _____, 2026.

Lew White, Mayor

ATTEST:

Julie Bowermon, City Secretary

APPROVED AS TO FORM:

Brad Bullock, City Attorney



AGREEMENT FOR TECHNICAL SERVICES

CITY OF LOCKHART, TEXAS AND STRAND ASSOCIATES, INC.®

This Agreement is made and entered into on _____, between the City of Lockhart, Texas, hereinafter referred to as OWNER, located at 308 West San Antonio Street, Lockhart, Texas 78644, and Strand Associates, Inc.®, hereinafter referred to as ENGINEER. This Agreement shall be in accordance with the following elements.

Scope of Services

Services to be provided under this Agreement can be described as engineering, scientific, computer-aided design drafting, clerical, and administrative activities performed in accordance with the terms and conditions of this Agreement and subsequently issued Task Orders. Prior to ENGINEER's engagement by OWNER, a mutually agreeable Task Order document shall be developed and executed by both parties. The Task Order will include **Project Information**, a detailed **Scope of Services**, **Compensation**, and **Schedule**. The general form of the Task Order shall be in accordance with the enclosed Task Order No. 26-01.

Service Elements Not Included

The following services are not included in this Agreement. If such services are required, they will be provided as noted in each subsequently issued Task Order.

1. Additional and Extended Services during construction made necessary by:
 - a. Work damaged by fire or other cause during construction.
 - b. A significant amount of defective or neglected work of any contractor.
 - c. Prolongation of the time of the construction contract.
 - d. Default by contractor under the construction contract.
2. Additional OWNER-Required Site Visits and/or Meetings: Additional OWNER-required site visits or meetings.
3. Archaeological or Botanical Investigations: ENGINEER will assist OWNER in engaging the services of an archaeologist or botanist, if required, to perform the field investigations necessary for agency review.
4. Bidding Alternatives and Bid Phasing: Any services involved in providing bidding alternatives or bidding phases.
5. Bidding- and Construction-Related Services: Any services involved in performing bidding- and construction-related services.

City of Lockhart, Texas
 Page 2
 May 21, 2026

6. Drawings and Specifications: Final design services including drawings and specifications.
7. Flood Studies: Any services involved in performing flood and floodway studies.
8. Geotechnical Engineering: Geotechnical engineering information, if required, shall be provided through OWNER and OWNER's geotechnical consultant. ENGINEER will assist OWNER with defining initial scope of geotechnical information that is required to allow OWNER to procure geotechnical engineering services.
9. Land and Easement Surveys/Procurement: Any services of this type including, but not limited to, a record search, field work, preparation of legal descriptions, or assistance to OWNER for securing land rights necessary for siting sanitary sewer, tanks, and appurtenances.
10. Preparation for and/or Appearance in Litigation on Behalf of OWNER: Any services related to litigation.
11. Review of Product Substitutions Proposed by Contractor: The terms of the construction Contract call for the construction contractor to reimburse OWNER for ENGINEER's cost for evaluating substitute products. ENGINEER's cost for such evaluations is not included.
12. Revising Designs, Drawings, Specifications, and Documents: Any services required after these items have been previously approved by state or federal regulatory agencies, because of a change in the project scope or where such revisions are necessary to comply with changed state and federal regulations that are put in force after Services have been partially completed.
13. Services Furnished During Readvertisement for Bids, if Ordered by OWNER: Any services of this type if a contract is not awarded pursuant to the original bids.
14. Services Related to Buried Wastes and Contamination: Should buried solid, liquid, or potentially hazardous wastes or subsurface or soil contamination be uncovered at the site, follow-up investigations may be required to identify the nature and extent of such wastes or subsurface soil or groundwater contamination and to determine appropriate methods for managing of such wastes or contamination and for follow-up monitoring.
15. Unsolicited Media: Any services that include the review or analysis of unsolicited media including, but not limited to, photographs, videos, and drone footage provided by OWNER or contractors unless specifically requested and agreed to in writing. ENGINEER's use of electronic construction administration programs (e.g., e-builder, Newforma) is limited to the Scope of Services defined in this Agreement. ENGINEER is not responsible for the review of unsolicited media uploaded to these programs unless specifically requested and agreed to in writing.

Compensation

OWNER shall compensate ENGINEER for Services indicated in each subsequently issued Task Order for a lump sum or for an estimated fee on an hourly rate basis plus expenses.

Expenses incurred such as those for subconsultants, travel, meals, printing, postage, copies, computer, electronic communication, and long distance telephone calls will be billed at actual cost plus ten percent.

City of Lockhart, Texas
Page 3
May 21, 2026

Only sales taxes or other taxes on Services that are in effect at the time this Agreement is executed are included in the Compensation. If the tax laws are subsequently changed by legislation during the life of this Agreement, this Agreement will be adjusted to reflect the net change.

The lump sum or estimated fee for the Services is based on wage scale/hourly billing rates, adjusted annually on July 1, that anticipates the Services will be completed as indicated. Should the completion time be extended, it may be cause for an adjustment in the lump sum or estimated fee that reflects any wage scale adjustments made.

The lump sum or estimated fee will not be exceeded without prior notice to and agreement by OWNER but may be adjusted for time delays, time extensions, amendments, or changes in the **Scope of Services**. Any adjustments will be negotiated based on ENGINEER's increase or decrease in costs caused by delays, extensions, amendments, or changes.

Schedule

Services will begin upon execution of this Agreement, which is anticipated the week of June 1, 2026. This Agreement will terminate three years following its execution. The schedule for individual tasks will be included on each subsequently issued Task Order.

Standard of Care

The Standard of Care for all Services performed or furnished by ENGINEER under this Agreement will be the care and skill ordinarily used by members of ENGINEER's profession practicing under similar circumstances at the same time and in the same locality. ENGINEER makes no warranties, express or implied, under this Agreement or otherwise, in connection with ENGINEER's Services.

OWNER's Responsibilities

1. Assist ENGINEER by placing at ENGINEER's disposal all available information pertinent to the Task Order-specified project including previous reports, previous drawings and specifications, and any other data relative to the scope of the Task Order-specified project.
2. Furnish to ENGINEER, as required by ENGINEER for performance of Services as part of this Agreement, data prepared by or services of others obtained or prepared by OWNER relative to the scope of the Task Order-specified project, such as soil borings, probings and subsurface explorations, and laboratory tests and inspections of samples, all of which ENGINEER may rely upon in performing Services under this Agreement.
3. Provide access to and make all provisions for ENGINEER to enter upon public and private lands as required for ENGINEER to perform Task Order-specified project Services under this Agreement.
4. Examine all reports, sketches, estimates, special provisions, drawings, and other documents presented by ENGINEER and render, in writing, decisions pertaining thereto within a reasonable time so as not to delay the performance of ENGINEER.
5. Provide all legal services as may be required for the development of the Task Order-specified project.

City of Lockhart, Texas
Page 4
May 21, 2026

6. Retain the services of a soils consultant to provide any necessary geotechnical evaluation and recommendations. OWNER's soils consultant shall provide all necessary geotechnical testing during construction. OWNER's soils consultant shall notify OWNER and ENGINEER of any geotechnical testing indicating any materials that are not in accordance with the Contract Documents (nonconforming materials) and if any nonconforming materials have been incorporated into the work.
7. Pay all permit and plan review fees payable to regulatory agencies.

Opinion of Probable Cost

Any opinions of probable cost prepared by ENGINEER are supplied for general guidance of OWNER only. ENGINEER has no control over competitive bidding or market conditions and cannot guarantee the accuracy of such opinions as compared to contract bids or actual costs to OWNER. If OWNER requires more than general guidance, then OWNER agrees to obtain an independent cost estimate by others.

Observation Services

In furnishing observation services, ENGINEER's efforts will be directed toward determining for OWNER that the completed project will, in general, conform to the Contract Documents; but ENGINEER will not supervise, direct, or have control over the contractor's work and will not be responsible for the contractor's construction means, methods, techniques, sequences, procedures, or health and safety precautions or programs, or for the contractor's failure to perform the construction work in accordance with the Contract Documents.

Payment Requests

ENGINEER's review of Payment Requests from contractor(s) will not impose responsibility to determine that title to any of the work has passed to OWNER free and clear of any liens, claims, or other encumbrances. Any such service by ENGINEER will be provided through an amendment to this Agreement.

Changes

1. OWNER may make changes within the general scope of this Agreement in the Services to be performed. If such changes cause an increase or decrease in ENGINEER's cost or time required for performance of any Services under this Agreement, an equitable adjustment will be made and this Agreement will be modified in writing accordingly.
2. No services for which additional compensation will be charged by ENGINEER will be furnished without the written authorization of OWNER. The fee established herein will not be exceeded without agreement by OWNER but may be adjusted for time delays, time extensions, amendments, or changes in the **Scope of Services**.
3. If there is a modification of Agency requirements relating to the Services to be performed under this Agreement subsequent to the date of execution of this Agreement, the increased or decreased cost of performance of the Services provided for in this Agreement will be reflected in an appropriate modification of this Agreement.

City of Lockhart, Texas
Page 5
May 21, 2026

Extension of Services

This Agreement may be extended for additional Services upon OWNER's authorization. Extension of Services will be provided for a lump sum or an hourly rate plus expenses.

Payment

OWNER shall make monthly payments to ENGINEER for Services performed in the preceding month based upon monthly invoices. Nonpayment 30 days after the date of receipt of invoice may, at ENGINEER's option, result in assessment of a 1 percent per month carrying charge on the unpaid balance.

Nonpayment 45 days after the date of receipt of invoice may, at ENGINEER's option, result in suspension of Services upon five calendar days' notice to OWNER. ENGINEER will have no liability to OWNER, and OWNER agrees to make no claim for any delay or damage as a result of such suspension caused by any breach of this Agreement by OWNER. Upon receipt of payment in full of all outstanding sums due from OWNER, or curing of such other breach which caused ENGINEER to suspend Services, ENGINEER will resume Services and there will be an equitable adjustment to the remaining project schedule and compensation as a result of the suspension.

Failure to make payments to ENGINEER is cause for termination upon two-week notice to OWNER.

Termination

This Agreement may be terminated with cause in whole or in part in writing by either party subject to a two-week notice and the right of the party being terminated to meet and discuss the termination before the termination takes place. ENGINEER will be paid for all completed or obligated Services up to the date of termination.

Data Provided by Others

ENGINEER is not responsible for the quality or accuracy of data nor for the methods used in the acquisition or development of any such data where such data is provided by or through OWNER, contractor, or others to ENGINEER and where ENGINEER's Services are to be based upon such data. Such data includes, but is not limited to, soil borings, groundwater data, chemical analyses, geotechnical testing, reports, calculations, designs, drawings, specifications, record drawings, contractor's marked-up drawings, and topographical surveys.

Third-Party Beneficiaries

Nothing contained in this Agreement creates a contractual relationship with or a cause of action in favor of a third party against either OWNER or ENGINEER. ENGINEER's Services under this Agreement are being performed solely for OWNER's benefit, and no other party or entity shall have any claim against ENGINEER because of this Agreement or the performance or nonperformance of Services hereunder. OWNER and ENGINEER agree to require a similar provision in all contracts with contractors, subcontractors, subconsultants, vendors, and other entities involved in the Task Order-specified project to carry out the intent of this provision.

City of Lockhart, Texas
Page 6
May 21, 2026

Dispute Resolution

Except as may be otherwise provided in this Agreement, all claims, counterclaims, disputes, and other matters in question between OWNER and ENGINEER arising out of or relating to this Agreement or the breach thereof will be decided first by mediation, if the parties mutually agree, or with a bench trial in a court of competent jurisdiction within the State of Texas.

Remedies

Neither ENGINEER nor OWNER shall be liable to the other for special, indirect, punitive, or consequential damages for claims, disputes, or other matters in question arising out of this or relating to this Agreement. This mutual waiver is applicable, without limitation, due to either party’s termination of this Agreement.

Terms and Conditions

The terms and conditions of this Agreement and subsequently issued Task Orders will apply to the Services defined in the **Scope of Services** and represent the entire Agreement and supersede any prior proposals, Requests for Qualifications, or Agreements. OWNER-supplied purchase order is for processing payment only; terms and conditions on the purchase order shall not apply to these Services.

IN WITNESS WHEREOF the parties hereto have made and executed this Agreement.

ENGINEER:

OWNER:

STRAND ASSOCIATES, INC.®

CITY OF LOCKHART, TEXAS

NOT FOR SIGNATURE

Joseph M. Bunker
Corporate Secretary

Date

Joseph Resendez
City Manager

Date

City of Lockhart, Texas

Council Agenda Item Cover Sheet

COUNCIL MEETING DATE: June 2, 2026

AGENDA ITEM CAPTION: Discussion and/or action regarding Task Order No. 26-01 with Strand Associates, Inc. for on-call engineering and technical support services related to the Lockhart Municipal Airport.

ORIGINATING DEPARTMENT AND CONTACT: Public Works - Sean Kelley

ACTION REQUESTED: Agreement

BACKGROUND/SUMMARY/DISCUSSION:

Task Order No. 26-01 is the initial task order under the proposed Technical Services Agreement between the City of Lockhart and Strand Associates, Inc. for airport-related engineering and technical support services associated with the Lockhart Municipal Airport.

The purpose of this task order is to provide the City with on-call professional engineering and technical support services as airport-related development requests, planning considerations, and operational needs arise. Services may include responding to staff questions, reviewing City-provided information and development proposals, evaluating planning and engineering considerations, and assisting with coordination of airport-related matters and potential improvement opportunities.

Services under the task order would be provided only as requested and authorized by the City on an as-needed basis. The task order establishes hourly billing rates for professional engineering and technical services and includes an estimated fee not to exceed \$15,000, plus applicable reimbursable expenses.

The proposed task order is intended to provide interim technical and planning support while the City continues long-term planning efforts related to the Lockhart Municipal Airport, including anticipated future development of an Airport Master Plan. Approval of the task order would allow the City to obtain timely professional support for airport-related planning, development review, and operational coordination activities as needed. Services are expected to begin upon execution of the task order and continue through June 1, 2029.

PROJECT SCHEDULE (if applicable):

AMOUNT & SOURCE OF FUNDING:

Funds Required:

Account Number:

Funds Available:

Account Name:

City of Lockhart, Texas

Council Agenda Item Cover Sheet

FISCAL NOTE (if applicable):

Proposed services under Task Order No. 26-01 will be funded through the Airport Fund Balance.

PREVIOUS COUNCIL ACTION:

COMMITTEE/BOARD/COMMISSION ACTION:

STAFF RECOMMENDATION/REQUESTED MOTION: Staff respectfully recommends approval of Task Order No. 26-01 with Strand Associates, Inc.

LIST OF SUPPORTING DOCUMENTS: Strand Associates Inc. Task Order No. 26-01



Task Order No. 26-01
City of Lockhart, Texas (OWNER)
and Strand Associates, Inc.® (ENGINEER)
Pursuant to Agreement for Technical Services dated _____, 20__

Project Information

Services Description: On-Call Engineering Support

Scope of Services

ENGINEER will provide on-call general engineering support services to OWNER as directed and authorized by OWNER's Representative in writing, including responding to OWNER's questions, reviewing OWNER-provided data, and responding to OWNER's general engineering services needs. OWNER may request that ENGINEER establish a scope and fee for specific services for review and approval prior to starting services or may direct ENGINEER in writing to proceed with defined services without preset limits.

Authorization and Commitment

OWNER's Representative shall authorize services requested under Scope of Services. ENGINEER agrees to provide requested services upon receipt of authorization, scope and fee limit, if any, from OWNER via e-mail or letter prior to starting the requested services.

Compensation

OWNER shall compensate ENGINEER for Services under this Task Order on an hourly rate basis plus expenses an estimated fee of \$15,000, in accordance with the following hourly billing rates:

Table with 2 columns: Role and Hourly Billing Rates*. Roles include Principal Engineer, Senior Project Manager, Project Managers, Project Engineers and Scientists, Engineering Technicians and Draftspersons, and Administrative. Rates range from \$61 to \$379.

* Updated annually on July 1

Schedule

Services will begin upon execution of this Task Order, which is anticipated the week of June 1, 2026. Services are scheduled for completion on June 1, 2029.

City of Lockhart, Texas
Task Order No. 26-01
Page 2
May 21, 2026

TASK ORDER AUTHORIZATION AND ACCEPTANCE:

ENGINEER:

STRAND ASSOCIATES, INC.®

OWNER:

CITY OF LOCKHART, TEXAS

Joseph M. Bunker
Corporate Secretary

Date

Joseph Resendez
City Manager

Date

NOT FOR
SIGNATURE