

§STATE OF TEXAS  
§CALDWELL COUNTY  
§CITY OF LULING

**THE CITY OF LULING CITY COUNCIL MET IN REGULAR SESSION ON THURSDAY, AUGUST 10, 2023 AT 6:00 P.M. AT CITY HALL COUNCIL CHAMBERS LOCATED AT 509 E. CROCKETT STREET, LULING, TEXAS.**

The following members: present:

C J Watts	Mayor
Jackie Campbell	Council Member
Lee Rust	Council Member
Marc Taylor	Council Member
Ray McGlothlin	Council Member
John Wells	Council Member

Staff Members present were:

Mark Mayo	City Manager
Luke Cochran	City Attorney
Martha Velasquez	City Secretary
James Rougeou	Finance Director
William Sala	Police Chief
James Pehl	Asst. Police Chief
Jaime Ovalle Sr.	Water Superintendent
Trey Bailey	LEDC Director
Ryan DeCamp	Code Enfor/GPS Mapping
Richard Slaughter	EMS Director
Buddy Pearson	Public Works Director
Jessica Tucker	Asst. City Secretary

**1. Call Meeting to Order.**

Mayor Watts called the meeting to order and welcomed all the visitors.

**2. Invocation and Pledge of Allegiance.**

*(Texas Pledge: Honor the Texas flag, I pledge allegiance to thee, Texas, one state under God, one and indivisible)*

Rev. Curtis Marshall, Martin Memorial Church gave the invocation and we said the pledge of allegiance to the American and Texas flags.

**3. Consent Agenda-** *All consent agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda. Information concerning consent agenda items is available for public view.*

- a. Approval of Minutes of the July13, 2023 regular City Council meeting and the addendum.**
- b. Consider/Approval of Accounts Payable.**

Council Member John Wells made a motion seconded by Council Member Ray McGlothlin approving the consent agenda. The motion carried with all members present voting unanimously in favor of the motion.

**4. Citizen Comment Period with City Council.**

There were no citizen comments at this time.

**5. Presentation and consideration of GBRA work plan and budget for fiscal year ending 08-31-2024.**

City Manager, Mark Mayo stated that Sonny, Finance Director and him had met a couple of times with GBRA and had gone over the budget. Tonight there are 3 present with GBRA Albert Soto, Chief Operator at the Luling Water Treatment Plant, Deputy Executive Manager of Operations, Hunter Duncan and the Hays-Caldwell Division Manager, Eduardo Montana.

They have operated without any time loss accidents, Joe Downey's retirement after 45 years of service. They have completed an inspection conducted by TCEQ in which no issues and no violations were found, the inspector complimented GBRA Luling water plant on all its operations. Annual inspection of clear-well and sediment removal. Complete EPA Risk Resilience Assessment and submitted certification to EPA. Albert Soto stated that all is good at the Luling Water Treatment Plant.

Mark stated that when this was presented to us, we noticed that the City's cost had gone up but our usage stayed the same. The City of Lockhart is going to take a reduce amount of water and it increased the cost of producing water on our part, so Sonny ran all the numbers and that is what is in your packet. Last year Lockhart's share of the cost of running the plant was 59% and ours was 41 %, where this year it's flipping Lockhart's is 45% and the City's is 55%. Our budget shows \$575,000 and what we will be paying is a little more than \$744,000. So we are starting off with a deficit of \$169,000 in our budget. Mark stated that we are going to have to look at increasing the size of the water plant and we want to participate in that we will benefit in the addition of the water production but also the revenue part. (that would be a year or two). City Manager stated that they went through the budget and if there were some things that we could take out of the budget since we were looking at increasing the size of the water plant that maybe we could wait on those things and it did reduce our price, however the price of water did go up for us per gallon it is going up for \$.22 to \$.29 a gallon. Currently for fiscal year the monthly average for the City of Luling is 22.95 million gallons and Lockhart's is 34.8 million per month.

Council Member Jackie Campbell made a motion seconded by Council member John Wells approving the GBRA work plan and budget for fiscal year ending 08-31-2024. The motion carried with all members present voting unanimously in favor of the motion.

**6. Consider/action discussing the 2023 Proposal Tax Rate and Schedule Public Hearings.**

Finance Director, Sonny Rougeou stated that we were meeting to discuss and propose a tax rate, and if the proposed rate exceeds the no new revenue tax rate then we will take a record vote and schedule a public hearing and at that public hearing the proposed tax rate can be adopted at that time.

The voter approval rate we would have a surplus about \$13,000 on a 90% collection rate.(40.41) Sonny stated that if you look at the last 5 years we have collected 89.5% of the tax levy. Sonny stated that staff is proposing the .4079 per \$100 valuation.

Council Member John Wells pointed out that we hear every year that our tax rates are too high but from 2018 to 2022 we have proposed and adopted a tax rate that is less each of those 5 years and this one for this year is even less than the prior years. He stated that it is not the City raising the tax rate it's the appraised values that is killing our citizens.

Sonny stated that we are proposing a rate tonight, when we go to adopting a rate we can reduce the rate but we can't raise it.

Council Member Jackie Campbell made a motion seconded by Council Member Ray McGlothlin to propose the .4079 per \$100 valuation. Council took a record vote to set the 2023 Proposal Tax Rate to .4079 and to set the public hearing for September 7, 2023 at 5:30 pm. The motion carried with all members present voting unanimously in favor of the motion.

- 7. Discussion and possible action on a Resolution of the City of Luling, Texas, approving a project of the Luling Economic Development Corporation, to wit: a grant of up to \$50,000, to Fox Tank Company in consideration of establishing a business enterprise in the City; bringing primary-jobs to the City and making particular capital investments; complying with section 505.158, Texas Local Government Code; providing for two separate readings; open meeting and adoption, and an effective date.**

Trey Bailey, EDC Director stated that this is the second reading on this resolution and that EDC intends to enter into a performance agreement with Fox Tank Company as was discussed at the last Council meeting.

Council Member Lee Rust made a motion seconded by Council Member Jackie Campbell approving the resolution of the City of Luling, Texas, approving a project of the Luling Economic Development Corporation, to wit: a grant of up to \$50,000, to Fox Tank Company in consideration of establishing a business enterprise in the City; bringing primary-jobs to the City and making particular capital investments; complying with section 505.158 Texas Local Government Code; providing for two separate readings; open meeting and adoption, and an effective date. The motion carried with all members present voting unanimously in favor of the motion.

- 8. Discussion and possible action on a Resolution of the City of Luling, Texas, approving a project of the Luling Economic Development Corporation, to wit: a grant of up to \$20,000, to Rails and Ales Taphouse, LLC in consideration of establishing a business enterprise in the City; bringing full-time primary jobs to the City and making particular Capital Investments, complying with section 505.158 Texas Local Government Code; providing for two separate readings; open meeting reading and adoption, and an effective date.**

Trey Bailey, EDC Director stated that the amount should read \$20,840 for this first reading and then next months reading would be next month. Trey stated that at the July meeting the EDC board evaluated an application from Rails and Ales Taphouse under our retail incentive program and they scored the maximum amount of up to \$5 a square foot for retail and service business.

- 9. Discussion and possible action on amending ordinance No. 2023-0-02A, section 4.04 through section 4.9 for residential permits/ re-inspection \$65 and commercial permits/ re-inspection \$85 and Med Gas Permit \$250 for City of Luling and ATS Engineers.**

Ryan DeCamp, GPS Mapping Director/Code Enforcement Officer stated that he thought he had done all permits retro active but he did not do these , so he would like to go forward with this so we could start using ATS Engineers.

Council Member Lee Rust asked if these were just pass through charges, to which Ryan stated that they were pass through charges.

Council Member John Wells made a motion seconded by Council Member Ray McGlothlin to amend ordinance No. 2023-O-02A, section 4.04 through section 4.9 for residential permits/re-inspection \$65 and commercial permits/re-inspections \$85 and Med Gas Permit \$250 for City of Luling and ATS Engineers. The motion carried with all members present voting unanimously in favor of the motion.

**10. Discussion and possible action on Pay Request#2 for \$21,229.20 from G5 Utilities for the Luling Alamo Sewer and Water Improvement Project.**

City Manager, Mark Mayo stated that our engineers had reviewed and signed off on this pay request, and we are holding the retain age from this project.

Council Member Ray McGlothlin made a motion seconded by Council Member Jackie Campbell approving Pay Request #2 for \$21,229.20 from G5 Utilities for the Luling Alamo Sewer and Water Improvement Project. The motion carried with all members present voting unanimously in favor of the motion.

**11. Discussion and possible action on awarding the Fire Hydrant bid.**

Jaime Ovalle Sr., Water Superintendent stated that we had received 3 bids. Jaime stated that he has worked with 2 of the contractors and the City of Luling has done work with one of the contractors which is G5.

Jamie stated that there are more than 45 fire hydrants that need attention but unfortunately the City Water lines and fire hydrants have been neglected for a long time and they need a lot of attention. He stated that this is just the beginning of what needs to be done. He stated that 95% of the valves don't work, but he is concerned with the fire hydrants, he feels are more important.

City Manager, Mark Mayo stated that Power Source Electric bid \$249,500 for this project, CO & M bid \$235,000 and G5 bid \$296,224. Jaime stated that his recommendation was to go to the lowest bidder and that is \$296,224. Jaime stated that as soon as we get the bond information they will start the project.

Council Member Lee Rust made a motion seconded by Council Member Marc Taylor to award the bid to CO&M for bid of \$235,000. The motion carried with all members present voting unanimously in favor of the motion.

**12. Police Department Monthly Activity Report.**

Chief Sala stated that all 4 of his new hires were working out really well. He stated that Asst Chief Pehl was working the night shift and he and Daugherty are splitting the morning shift. They have one new car that has been delivered and they are waiting on 2 more vehicles.

Scott Miller with Ranch Road Development brought a presentation on his proposed development.

- 13. (a) Executive session: City Council will convene into Executive Session in accordance with the Texas Government Code Section 551.071 to consult with the City Attorney regarding legal matters concerning municipal utility districts and a proposed development from Ranch Road Development.**
- 14. (b) Executive Session: City Council will convene into Executive Session in accordance with the Texas Government Code Section 551.071 to consult with the City Attorney regarding legal matters concerning the role, responsibilities, and authority of individual City Council members.**
- 15. (a) Reconvene: City Council will reconvene in Open Session for discussion and possible action regarding the proposed development from Ranch Road Development.**
- 16. (b) Reconvene: City Council will reconvene in Open Session for discussion and possible action regarding the role, responsibilities, and authority of individual City Council members.**

**17. Adjourn.**

No action was taken on these two agenda items. Council Member Jackie Campbell made a motion seconded by Council Member Lee Rust to adjourn the meeting. The motion carried with all members present voting unanimously in favor of the motion.

**Approved:**\_\_\_\_\_

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**C J Watts, Mayor  
City of Luling**

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**Martha C. Velasquez  
City Secretary**