



AGENDA - AMENDED CITY COUNCIL MEETING

November 17, 2022 | 6:30 PM

Council Chambers

City Hall | 665 Country Club Road, Lucas, Texas

Notice is hereby given that a meeting of the Lucas City Council will be held on Thursday, November 17, 2022, beginning at 6:30 pm at Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651, at which time the following agenda will be discussed. As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting. Pursuant to Texas Government Code 551.127, one or more members of the governing body may appear via videoconference call. The presiding officer and a quorum of the City Council will be physically present at this meeting.

If you would like to watch the meeting live, you may go to the City's live streaming link at <https://www.lucastexas.us/departments/public-meetings/>.

How to Provide Input at a Meeting:

Speak In Person: Request to Speak forms will be available at the meeting. Please fill out the form and give to the City Secretary prior to the start of the meeting. This form will also allow a place for comments.

Submit Written Comments: If you are unable to attend a meeting and would like to submit written comments regarding a specific agenda item, email City Secretary Erin Day at eday@lucastexas.us by no later than 3:30 pm the day of the meeting. The email must contain the person's name, address, phone number, and the agenda item(s) for which comments will be made. Any requests received after 3:30 pm will not be included at the meeting.

Call to Order

- Roll Call
- Determination of Quorum
- Reminder to turn off or silence cell phones
- Pledge of Allegiance

Citizen Input

1. Citizen Input.

Community Interest

Pursuant to Section 5510415 of the Texas Government Code, the City Council may report on the following items: 1) expression of thanks, congratulations or condolences; 2) information about holiday schedules; 3) recognition of individuals; 4) reminders about upcoming City Council events; 5) information about community events; and 6) announcements involving imminent threat to public health and safety.

2. Items of Community Interest.

Consent Agenda

All items listed under the consent agenda are considered routine and are recommended to the City Council for a single vote approval. If discussion is desired, an item may be removed from the consent agenda for a separate vote.

3. Consent Agenda:
 - A. Approval of the minutes of the November 3, 2022, City Council meeting. (City Secretary Erin Day)
 - B. Consider authorizing the City Manager to enter into a professional services agreement with JTG Engineering, PLLC, in the amount of \$134,287.50 for General Engineering Services. Funding for these services was approved in the Fiscal Year 2022-2023 budget in line item 11-6209-309 (Professional Services). (City Manager Joni Clarke)
 - C. Approval of Resolution R 2022-11-00537 scheduling a Public Hearing to consider amendments to the Land Use Assumptions and Capital Improvement Plan under which an Impact Fee may be amended for water and roadways within the City. (CIP Manager Patrick Hubbard)

Regular Agenda

4. Discuss the Capex Consulting Group Water and Wastewater Rate Study and Five-Year Financial Plan and set date for the public hearing. (Finance Director Liz Exum, Jeff Snowden, Capex Consulting Group)
5. Consider board/commission appointments to the Board of Adjustment (also serving as the Building and Standards Commission) and the Planning and Zoning Commission (also serving as the Capital Improvements Advisory Committee) for a two-year term beginning on January 1, 2023, and expiring on December 31, 2024. (City Council, City Secretary Erin Day)

Executive Session

6. Executive Session: An Executive Session is not scheduled for this meeting.

As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.
7. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.
8. Adjournment.

Certification

I do hereby certify that the above notice was posted in accordance with the Texas Open Meetings Act on the bulletin board at Lucas City Hall, 665 Country Club Road, Lucas, TX 75002 and on the City's website at www.lucastexas.us on or before 5:00 p.m. on November 11, 2022.



City of Lucas

City Council Agenda Request

November 17, 2022

Item No. 01

Requester: Mayor Jim Olk

Agenda Item Request

Citizen Input.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

November 17, 2022

Requester: Mayor Jim Olk

Agenda Item Request

Items of Community Interest.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

November 17, 2022

Item No. 03

Requester: City Manager Joni Clarke
City Secretary Erin Day

Agenda Item Request

Consent Agenda:

- A. Approval of the minutes of the November 3, 2022, City Council meeting.
- B. Consider authorizing the City Manager to enter into a professional services agreement with JTG Engineering, PLLC, in the amount of \$134,287.50 for General Engineering Services. Funding for these services was approved in the Fiscal Year 2022-2023 budget in line item 11-6209-309 (Professional Services).
- C. Approval of Resolution R 2022-11-00537 scheduling a Public Hearing to consider amendments to the Land Use Assumptions and Capital Improvement Plan under which an Impact Fee may be amended for water and roadways within the City.

Background Information

Item B

This contract will be to continue using Joe Grajewki P.E. for General Engineering Services (i.e., on-call engineering). The City of Lucas must execute a new contract with JTG Engineering, PLLC, as the term of the existing contract has lapsed. Funding for these services was approved in the Fiscal Year 2022-2023 budget in line item 11-6209-309 (Professional Services).

Item C

The next step in the process for approving the amendments to the Impact Fee Land Use Assumptions, Roadway Capital Improvement Plan, Water Capital Improvement Plan and/or 2022-2032 Impact Fee Update is to approve a resolution to set a Public Hearing date. This item accomplishes this step. Discussion on this item will occur during the Public Hearing.

Attachments/Supporting Documentation

1. Minutes of the November 3, 2022, City Council meeting
2. JTG Engineering Professional Services Agreement for Fiscal Year 2022-2023
3. Resolution R 2022-11-00537



City of Lucas
City Council Agenda Request
November 17, 2022

Budget/Financial Impact

NA

Recommendation

City staff recommends approval of the Consent Agenda.

Motion

I make a motion to approve the Consent Agenda as presented.



MINUTES
CITY COUNCIL REGULAR MEETING

November 3, 2022 | 6:30 PM

Council Chambers

City Hall | 665 Country Club Road, Lucas, Texas

City Councilmembers Present:

Mayor Jim Olk
Mayor Pro Tem Kathleen Peele
Councilmember David Keer
Councilmember Tim Baney
Councilmember Phil Lawrence (*remote*)
Councilmember Debbie Fisher

City Staff Present:

City Manager Joni Clarke
Assistant City Manager Kent Souriyasak
CIP Manager Patrick Hubbard
City Engineer Scott Holden
Contract Engineer Joe Grajewski
Development Services Director Joe Hilbourn
City Secretary Erin Day

City Councilmembers Absent:

Councilmember Tim Johnson

The regular City Council meeting was called to order at 6:30 pm.

Citizen Input

1. Citizen Input

There was no citizen input at this meeting.

Community Interest

2. Items of Community Interest

Mayor Olk gave items of community interest including:

- Closure of Blondy June Road
- Arbor Day and Recycling Event
- Lucas Fire-Rescue Rehab Volunteers
- Donations for Holiday Donation Drive
- Country Christmas
- Election Day on Tuesday, November 8, 2022

Councilmember Fisher gave information regarding the Collin County Transportation Plan holding public meetings. She urged citizens to attend the meetings and give their input. City Manager Joni Clarke advised the information regarding the meetings will be posted on the City website and that one of the meetings will be held at a convenient location in Wylie.

Consent Agenda

3. Consent Agenda:

Councilmember Fisher requested to pull Item B for further discussion.

A. Approval of the minutes of the October 20, 2022 City Council meeting.

MOTION: A motion was made by Mayor Pro Tem Peele, seconded by Councilmember Keer, to approve the minutes of the October 20, 2022 City Council meeting as presented. The motion passed unanimously by a 6 to 0 vote, with Councilmember Johnson absent.

Regular Agenda

B. Approval of the Interlocal Agreement between the City of Lucas and the North Texas Municipal Water District on Wilson Creek Regional Wastewater Treatment Plant Improvements.

Councilmember Fisher requested a change be made to the Interlocal Agreement to include that if there is a problem with odor coming from the wash station, the plant would either mitigate the odor or remove it, or they would have to cease operations. She gave wording that she would like added to the agreement before approval. Mayor Olk requested to see agreement before being signed by the City Manager.

MOTION: A motion was made by Councilmember Fisher, seconded by Mayor Pro Tem Peele, to approve the Interlocal Agreement as amended to include language regarding the mitigation or removal of any odor coming from the wash station, or to cease operation of the wash station if the odor cannot be removed, and that the agreement will be approved by the Mayor prior to signing. The motion passed unanimously by a 6 to 0 vote, with Councilmember Johnson absent.

Public Hearing Agenda

4. Public hearing to consider adopting Ordinance 2022-11-00960 approving the rezoning request by Christopher White, property owner of 1110 East Winningkoff Road, to rezone a parcel of land from MHD (Manufactured Home District) to Residential 2-acres, situated in the Thomas D. James Survey, Abstract No. 477, a 3.65 acre Tract 1, 3.59 acre Tract 2, and 3.59 acre Tract 3.

Development Services Director Joe Hilbourn gave a presentation comparing the depiction of the property to the Future Land Use Map and answered questions regarding buildings on the property and whether the property could be subdivided in the future. He also clarified that only the change in zoning is being decided during this meeting.

Mayor Olk opened the Public Hearing at 6:46 p.m.

Richard Schertz, 1111 Snider Lane, spoke in favor of the zoning request, advising that he lives directly south of the property in question. He stated he is concerned about a creek that flows through both his and Mr. White's property, as well as the property to the east, because there has been a lot of run-off and drainage from that creek over the last 8 years. He expressed concern about any tree removal causing additional erosion on his property. Mr. Schertz also advised there are a lot of unnecessary items stored toward the south end of the property including an old boat and some RV's that animals have started living in. He stated he is also hoping there is not a major increase in light pollution that

will repel the birds who migrate to this area. Mr. Hilbourn advised he has not been to the back of the property to see if there were still old vehicles there, but that he will investigate.

Mayor Olk closed the Public Hearing at 6:49 p.m.

MOTION: A motion was made by Councilmember Lawrence, seconded by Mayor Pro Tem Peele, to approve adopting Ordinance 2022-11-00960, approving the rezoning request by Christopher White, property owner of 1110 East Winningkoff Road, to rezone a parcel of land from MHD (Manufactured Home District) to Residential 2-acres, situated in the Thomas D. James Survey, Abstract No. 477, a 3.65 acre Tract 1, 3.59 acre Tract 2, and 3.59 acre Tract 3 as presented. The motion passed unanimously by a 6 to 0 vote, with Councilmember Johnson absent.

Councilmember Lawrence left the Zoom meeting at 6:52 p.m.

Regular Agenda

5. Discuss roadway recommendations to improve Forest Grove Road and provide guidance to the City Manager.

Mayor Olk advised some residents in the area reached out to him regarding concerns about Forest Grove Road and so he asked that staff come up with some solutions to improve visibility and sight distances.

Scott Holden gave a presentation regarding background information on Forest Grove Road including location, drainage, speed limit, no shoulders, pavement width, and slope of drainage ditches. He gave visibility concerns located along the road including the curvature, overhanging trees, vertical curves, speed limit of the road, and condition of the road.

Mr. Holden gave recommendations for road improvement included tree trimming, tree removal, reduction of speed limit, warning signs, public outreach articles regarding road safety, and full reconstruction of Forest Grove Road. He gave cost estimates for each recommendation and advised that at this time, staff recommends tree trimming and reducing the speed limit from 40 mph to 30 mph.

Mayor Olk asked if there was a difference in the visibility triangle if the speed is reduced and if by reducing the speed we could possibly reduce the tree removal. Mayor Pro Tem Peele advised she feels tree removal is not necessary, and that she believes removing the overgrown underbrush would help improve visibility. Mr. Holden responded that he would do some research on the effects of speed on the visibility triangle.

Councilmember Lawrence returned to the meeting at 7:01 p.m.

Citizen Comments

Robin Stewart, 2714 Timber Trail, spoke advising since the last overlay, the ledge is at a dangerous height. She stated she felt the visibility is not the issue, that the drop-off is the issue. She stated she is advocating for the full reconstruction of the road. She agreed the overgrowth is an issue and drivers cannot see the tall bar ditches because of the weeds and trash.

Milton Honza, 1000 Washington Drive, spoke in agreement that the underbrush is an issue. He stated there is no question the drop-off height is significant. He believes the road is a beautiful country road and he is concerned about the tree removal. He believes staff's recommendations would help, but that eventually reconstruction would be necessary.

John Awezec, 1004 Washington Drive, spoke recounting a story of a co-worker's son who ended up being paralyzed because of an accident on a highway with a steep drop-off. He stated he believes Forest Grove Road potentially could cause a bad accident such as that because of the steep drop-offs.

Council Comments

Mayor Olk advised reconstruction of the road should be in our Capital Improvement Program, as it would cost around \$3.5 million. He advised the City prioritizes road construction based on the worst roads being fixed first. He advised he is not against reducing speed, putting up signs, and providing public outreach regarding traffic safety.

Councilmember Baney advised if we reconstruct the road, the trees will be gone. Mayor Pro Tem Peele advised the recommendations from staff will help alleviate some of the problems, and that many roads in Lucas need attention including Forest Grove Road. Councilmember Lawrence advised that any issue with the street is a concern, but we must take care of the worst cases first to be fair to everyone in the City. Councilmember Fisher advised the underbrush needs to be taken care of, and that the reconstruction should be put in the Capital Improvement Program. Councilmember Baney advised public outreach should include all of the streets in the City to improve traffic safety.

Councilmember Lawrence asked if there has been any enforcement efforts from law enforcement. City Manager Joni Clarke answered that there has not been a request for Forest Grove Road, but that she will put a request for enforcement on the deputy's awareness list.

The Council gave direction to create an ordinance to reduce the speed limit on Forest Grove Road.

Citizen Robin Stewart spoke again asking if there was a way to use asphalt to slope the edge so the drop-off will be reduced. Mayor Olk advised we cannot because it would affect the drainage. Ms. Clarke advised staff will be brainstorming solutions for that issue.

MOTION: There was no motion needed for this item.

6. Discuss establishing logo usage guidelines for the City of Lucas logo and provide direction to the City Manager.

Council expressed their concerns regarding the use of the City logo including not having a recourse to remove the logo if it is being used improperly, no time limit on the use, citizens possibly changing colors or size, citizens using the logo for disparaging reasons, citizens using the logo for political reasons, businesses making a profit off of the use, and the risks that come from allowing the public to use the logo.

Mayor Olk advised it is the City's logo, but it is also the citizen's logo and he does not feel it is right to tell the citizens they cannot use it. He stated he agrees that businesses should not profit off of the use. Mayor Pro Tem Peele agreed that it belongs to the citizens and that they should be able to show their City pride. She advised the use can be managed by the City Manager.

Councilmember Baney disagreed, advising that someone has to track the use and make sure it is being treated properly. He stated the logo should not be used in any way for a profit. Councilmember Lawrence agreed that issues would be created and believes the logo should be protected from misuse. Councilmember Fisher suggested that legal advice be consulted regarding allowing one group to use the logo but not another.

Mayor Olk directed Councilmember Fisher's suggestions be given to the City Attorney and for staff to bring the item back to Council with legal advice.

MOTION: There was no motion needed for this item.

Executive Agenda

7. **Executive Session: As authorized by 551.071(2) to consult with the City Attorney regarding the North Texas Municipal Water District Potable Water Supply Contract. This meeting is closed to the public as provided in the Texas Government Code.**

An Executive Session was not held during the meeting.

8. **Reconvene from Executive Session and take any action necessary as a result of the Executive Session.**

9. **Adjournment.**

MOTION: A motion was made by Councilmember Keer, seconded by Councilmember Fisher, to adjourn the meeting at 7:31 pm. The motion passed unanimously by a 6 to 0 vote, with Councilmember Johnson absent.

APPROVED:

ATTEST:

Mayor Jim Olk

Erin Day, City Secretary

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

**THIRD AMENDED AND RESTATED
AGREEMENT FOR PROFESSIONAL SERVICES
WITH JTG ENGINEERING PLLC**

This Third amended and restated agreement (“Agreement”) is made by and between the City of Lucas, Texas (“City”) and JTG Engineering, PLLC, a Professional Limited Liability Company (“Professional”) (each a “Party” and collectively the “Parties”), acting by and through their authorized representatives.

RECITALS:

WHEREAS, the City and JTG Engineering PLLC entered into a contract for General Engineering Services dated June 9, 2021; and

WHEREAS, the City has requested through this Third Amended and Restated Agreement an extension as provided in attached Exhibit “B” pursuant to the Original Contract; and

WHEREAS, the City desires in connection with the General Engineering Services Agreement (the “Project”) to engage the services of the Professional as an independent contractor, and not as an employee, to provide the services described in Exhibit “A” (the “Scope of Services”) on the terms and conditions set forth in this Agreement; and

WHEREAS, the Professional desires to render professional services for the City on the terms and conditions set forth in this Agreement;

NOW THEREFORE, in exchange for the mutual covenants set forth herein, and other valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties agree as follows:

**Article I
Term**

1.1 This Agreement shall commence on the last date of execution hereof (“Effective Date”) and continue until completion of the services, unless sooner terminated as provided herein.

1.2 Either Party may terminate this Agreement by giving thirty (30) days prior written notice to the other Party. In the event of such termination the Professional shall deliver to City all finished and unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by the Professional in connection with this Agreement. Professional shall be entitled to compensation for any services completed to the reasonable satisfaction of the City in accordance with this Agreement prior to such termination.

Article II Scope of Service

2.1 The Professional shall perform the services in connection with the Project as set forth in Exhibit "A", Scope of Services. The City may issue Work Orders detailing the specific Scope of Services to be performed by the Professional.

2.2 The City shall, prior to commencement of services, provide the Professional with the information set forth in Exhibit "D", if any.

2.3 The Parties acknowledge and agree that any and all opinions provided by the Professional in connection with the Scope of Services represent the professional judgment of the Professional, in accordance with the professional standard of care applicable by law to the services performed hereunder.

2.4 Upon execution of this Agreement, the City has the right to use the Professional's instruments of service for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the City substantially performs its obligations, including prompt payment of all sums when due, under this Agreement. The City's Project Contractor, Construction Manager, Subcontractors, Sub-subcontractors, and material or equipment suppliers, as well as the City's consultants and separate contractors, may reproduce applicable portions of the instruments of service for use in performing services or construction for the Project. Upon payment of all amounts due Professional hereunder, all materials and reports prepared by the Professional in connection with this Agreement shall become the property of the City. The City shall have the right to publish, disclose, distribute and otherwise use such materials and reports only for those purposes for which they were intended.

Article III Schedule of Work

The Professional agrees to complete the required services in accordance with the Project Schedule outlined in Exhibit "B" and within each Work Order issued by the City once mutually agreed upon by both Parties.

Article IV Compensation and Method of Payment

4.1 Professional will be compensated in accordance with the payment schedule and amounts set forth in Exhibit "C" (the "Compensation Schedule"), but at no time shall the total compensation for this Agreement exceed \$134,287.50. Unless otherwise provided herein, payment to the Professional shall be monthly based on the Professional's monthly progress report and detailed monthly itemized statement for services that shows the names of the Professional's employees, agents, contractors performing the services, the time worked, the actual services performed, the rates charged for such service, reimbursable expenses, the total amount of fee earned to date and the amount due and payable as of the current statement, in a form reasonably acceptable to the City. Monthly statements shall include authorized non-salary expenses with supporting itemized invoices and documentation. The City shall pay such monthly statements

within thirty (30) days after receipt and City verification of the services and expenses unless otherwise provided herein.

4.2 Unless otherwise provided in Exhibit “C” the Professional shall be responsible for all expenses related to the services provided pursuant to this Agreement including, but not limited to, travel, copying and facsimile charges, telephone, internet and email charges.

Article V Devotion of Time; Personnel; and Equipment

5.1 The Professional shall devote such time as reasonably necessary for the satisfactory performance of the services under this Agreement. Should the City require additional services not included under this Agreement, the Professional shall make reasonable effort to provide such additional services within the time schedule without decreasing the effectiveness of the performance of services required under this Agreement and shall be compensated for such additional services on a time and materials basis, in accordance with Professional’s standard hourly rate schedule, or as otherwise agreed between the Parties.

5.2 To the extent reasonably necessary for the Professional to perform the services under this Agreement, the Professional shall be authorized to engage the services of any agents, assistants, persons, or corporations that the Professional may deem proper to aid or assist in the performance of the services under this Agreement. The Professional shall provide written notice to and approval from the City prior to engaging services not referenced in the Work Orders or Exhibit “A” or Exhibit “C”. The cost of such personnel and assistance shall be included as part of the total compensation to be paid Professional hereunder and shall not otherwise be reimbursed by the City unless provided differently herein.

5.3 The Professional shall furnish the facilities, equipment and personnel necessary to perform the services required under this Agreement unless otherwise provided herein.

5.4 The Professional shall submit monthly progress reports and attend monthly progress meetings scheduled by the City or more frequently as may be required by the City from time to time based upon Project demands. Each progress report shall detail the work accomplished and special problems or delays experienced on the Project during the previous report period, and the planned work activities and special problems or delays anticipated for the next report period.

Article VI Miscellaneous

6.1 Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings written or oral agreements between the Parties with respect to this subject matter.

6.2 Assignment. The Professional may not assign this Agreement without the prior written consent of City. In the event of an assignment by the Professional to which the City has

consented, the assignee shall agree in writing with the City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

6.3 Successors and Assigns. This Agreement shall not be assigned by either Party.

6.4 Governing Law. The laws of the State of Texas shall govern this Agreement without regard to any conflict of law rules; and venue for any action concerning this Agreement shall be in the State District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.5 Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

6.6 Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

6.7 Independent Contractor. It is understood and agreed by and between the Parties that the Professional in satisfying the conditions of this Agreement, is acting independently, and that the City assumes no responsibility or liabilities to any third party in connection with these actions. All services to be performed by Professional pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of the City. Professional shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement.

6.8 Right-of-Access. The Professional shall not enter onto private property without lawful right-of-access to perform the required surveys, or other necessary investigations. The Professional will take reasonable precautions to minimize damage to the private and public property in the performance of such surveys and investigations. Any right-of-access to public or private property shall be obtained in accordance with the Scope of Services.

6.9 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City:
Attn: Joni Clarke
City Manager
City of Lucas, Texas
665 Country Club Road
Lucas, Texas 75002
Telephone: 972-727-8999

With Copy to:
Joseph J. Gorfida, Jr.
Nichols, Jackson, Dillard,
Hager & Smith, LLP
1800 Ross Tower
500 North Akard
Dallas, Texas 75201
Telephone: 214-965-9900

If intended for Professional:
Attn: Joseph T. Grajewski, P.E., CFM
JTG Engineering, PLLC
5836 Birchbrook Dr., Apt 125
Dallas, Texas 75206
Telephone: 214-991-6923

6.10 Insurance.

- (a) Professional shall during the term hereof maintain in full force and effect the following insurance: (i) a comprehensive general liability policy of insurance for bodily injury, death and property damage insuring against all claims, demands or actions relating to the Professional's performance of services pursuant to this Agreement with a minimum combined single limit of not less than \$1,000,000.00 per occurrence for injury to persons (including death), and for property damage; (ii) policy of automobile liability insurance covering any vehicles owned and/or operated by Professional, its officers, agents, and employees, and used in the performance of this Agreement with policy limits of not less than \$500,000.00 combined single limit and aggregate for bodily injury and property damage; (iii) statutory Worker's Compensation Insurance at the statutory limits and Employers Liability covering all of Professional's employees involved in the provision of services under this Agreement with policy limit of not less than \$500,000.00; and (iv) Professional Liability covering negligent acts, errors and omissions in the performance of professional services with policy limit of not less than \$1,000,000.00 per claim and \$1,000,000 in the aggregate.
- (b) All policies of insurance shall be endorsed and contain the following provisions: (1) name the City, its officers, and employees as additional insureds as to all applicable coverage with the exception of Workers Compensation Insurance and Professional Liability; and (2) provide for at least thirty (30) days prior written notice to the City for cancellation of the insurance; (3) provide for a waiver of subrogation against the City for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance, except for Professional Liability Insurance. The Professional shall provide written notice to the City of any material change of or to the insurance required herein.

- (c) All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least “A” by AM Best or other equivalent rating service.
- (d) A certificate of insurance and copies of the policy endorsements evidencing the required insurance shall be submitted prior to commencement of services and upon request by the City.

6.11 Indemnification. CITY SHALL NOT BE LIABLE FOR ANY LOSS, DAMAGE, OR INJURY OF ANY KIND OR CHARACTER TO ANY PERSON OR PROPERTY ARISING FROM THE SERVICES OF THE PROFESSIONAL PURSUANT TO THIS AGREEMENT. PROFESSIONAL HEREBY WAIVES ALL CLAIMS AGAINST CITY, ITS OFFICERS, AGENTS AND EMPLOYEES (COLLECTIVELY REFERRED TO IN THIS SECTION AS “CITY”) FOR DAMAGE TO ANY PROPERTY OR INJURY TO, OR DEATH OF, ANY PERSON TO THE EXTENT ARISING AT ANY TIME AND FROM ANY CAUSE OTHER THAN THE NEGLIGENCE OR WILLFUL MISCONDUCT OF CITY OR BREACH OF CITY’S OBLIGATIONS HEREUNDER. PROFESSIONAL AGREES TO INDEMNIFY AND SAVE HARMLESS CITY FROM AND AGAINST LIABILITIES, DAMAGES, CLAIMS, SUITS, COSTS (INCLUDING COURT COSTS, REASONABLE ATTORNEYS’ FEES AND COSTS OF INVESTIGATION) AND ACTIONS OF ANY KIND BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR DAMAGE TO OR LOSS OF PROPERTY TO THE EXTENT CAUSED BY THE PROFESSIONAL’S NEGLIGENT PERFORMANCE OF SERVICES UNDER THIS AGREEMENT OR BY REASON OF ANY NEGLIGENT ACT OR OMISSION ON THE PART OF PROFESSIONAL, ITS OFFICERS, DIRECTORS, SERVANTS, EMPLOYEES, REPRESENTATIVES, CONSULTANTS, LICENSEES, SUCCESSORS OR PERMITTED ASSIGNS (EXCEPT WHEN SUCH LIABILITY, CLAIMS, SUITS, COSTS, INJURIES, DEATHS OR DAMAGES ARISE FROM OR ARE ATTRIBUTED TO NEGLIGENCE OF THE CITY, IN WHOLE OR IN PART, IN WHICH CASE PROFESSIONAL SHALL INDEMNIFY CITY ONLY TO THE EXTENT OR PROPORTION OF NEGLIGENCE ATTRIBUTED TO PROFESSIONAL AS DETERMINED BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION). THE PROFESSIONAL’S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY PROFESSIONAL UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

6.12 Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

6.13 Exhibits. The exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

6.14 No Boycott Israel. Pursuant to Texas Government Code Chapter 2270, the Contractor agrees that acceptance of these Terms & Conditions serves as written verification that Contractor: (1) does not boycott Israel, as defined by Texas Government Code Section 808.001; and (2) will not boycott Israel during the term of the contract.

6.15 Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organization. Pursuant to Texas Government Code Chapter 2252, Subchapter F, Contractor affirms that is it not identified on a list created by the Texas Comptroller of Public Accounts as a company known to have contracts with or provide supplies or services to a foreign terrorist organization.

(Signature Page to Follow)

EXECUTED this _____ day of _____, 20__.

City of Lucas, Texas

By: _____
Joni Clarke
City Manager

Approved as to form:

By: _____
Joseph J. Gorfida, Jr., City Attorney
(01-20-15/69878)

EXECUTED this _____ day of _____, 20__.

(Professional)

By: _____
Name: _____
Title: _____

Exhibit "A" **Scope of Services**

General Services: The Professional shall perform various general engineering services operating as the City Engineer including project management, infrastructure planning and review, attend coordination meetings, conduct construction plan reviews, review of specifications, bidding and contract documents.

The following include some of the tasks the Professional shall be asked to assist with:

- A. Provide engineering opinions on drainage issues to members of City staff and citizens.
- B. Management of existing design and construction projects underway with the City. This will include meeting and coordinating with design consultants and construction contractors as needed to complete the design and construction of projects. Summary update memoranda are to be provided to the City Manager for inclusion at City Council Meetings or on the City's website.
- C. Provide engineering review of development plans.
- D. Provide engineering opinions related to the maintenance of the City's infrastructure. Prepare memoranda of opinions to the City Manager as requested for inclusion in City Council packets.
- E. Pursue the needs of the City and communicate with other public and private entities on the City's behalf.

Changes or modifications to the scope may be made at any time during this agreement if mutually agreed upon by the City and Professional.

Exclusions: The intent of this scope of services is to include only the services specifically listed herein and none others. Services specifically excluded from this scope of services shall include, but are not necessarily limited to the following:

- A. AutoCAD license
- B. Courier or delivery services
- C. Engineering design (requires separate agreement for design services)
- D. Printing and postage
- E. Sub-consultant services

**Exhibit “B”
Project Schedule**

The terms of this agreement shall extend for forty-eight (48) weeks beginning the week of November 1, 2022 and terminate September 30, 2023. Professional will generally hold office hours at City Hall on Tuesday and Thursday of each week from 8:00am until 5:00pm with a 1-hour break for lunch. The day rate listed in Exhibit “C” shall apply to Tuesday and Thursday office hours with a maximum of 8 hours. The Professional may elect to work additional hours on an as-needed basis either remotely or at City Hall averaging approximately four (4) hours per week at the hourly rate listed in Exhibit “C”.

The office hours are intended to provide notice of when the Professional plans to be at City Hall, but do not establish a requirement to be there. The professional reserves the right to adjust scheduled office hours providing adequate notice to City Staff to coordinate scheduled meetings. The City shall only be responsible for compensating the Professional for actual days or hours worked. Any full day (8-hour maximum) will be billed at the day rate with additional hours billed at the hourly rate.

**Exhibit “C”
Compensation Schedule**

Payment for services described under Exhibit “A” shall be based on the 2022-2023 Hourly Fee Schedule for actual time and expenses expended on the task. Automobile mileage shall be charged at the IRS established rate. Based on the expected Scope of Engineering Services, we suggest the City establish a not-to-exceed budget in the amount of **\$134,287.50**. This budget will not be exceeded without written authorization from the City, based on an increased scope of services

2022-2023 FEE SCHEDULE

	2022-2023 Fees
Professional Engineer	\$ 900.00 / day (8-hours)
	\$ 150.00 / hour
Mileage*	\$ 0.625 / mile

* Note - fifty (50) miles per day is included in the hourly and day rate listed above.

Exhibit “D”
Information to be provided to Professional

1. Assigned City Engineer email address with a City of Lucas domain.
2. Access to a City computer for use of AutoCAD or other specific software required to complete assigned tasks.
3. Use of printer and/or plotter for printing of materials related to assigned tasks.
4. Field survey data required to provide engineering expertise on drainage and other issues.
5. Office supplies associated with Scope of Services and Work Orders.



RESOLUTION R 2022-11-00537
[Setting a Public Hearing]

A RESOLUTION OF THE CITY OF LUCAS, TEXAS, SCHEDULING A PUBLIC HEARING TO CONSIDER AMENDMENTS TO THE LAND USE ASSUMPTIONS AND CAPITAL IMPROVEMENT PLAN UNDER WHICH AN IMPACT FEE MAY BE AMENDED FOR WATER AND ROADWAYS WITHIN THE CITY; DIRECTING THE CITY SECRETARY TO PUBLISH NOTICE OF SAID PUBLIC HEARING; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Chapter 395, Tex. Loc. Government Code, provides procedures for amending the Land Use Assumptions, Capital Improvement Plan and modification to water and roadway impact fees within the city limits and service area boundaries; and

WHEREAS, the City of Lucas has found it necessary and appropriate to employ qualified professionals to prepare amendments to the Land Use Assumptions and Capital Improvement Plan for water and roadway facilities; and

WHEREAS, the City of Lucas appointed a Citizens Advisory Committee which is charged to review and evaluate its current land use assumption and advise the City Council on amendments to the Land Use Assumptions and Capital Improvement Plan for water and roadway facilities; and

WHEREAS, the City Council of the City of Lucas now desires to schedule a public hearing on the amendments to the Land Use Assumptions and Capital Improvement Plan and modification to water and roadway impact fees in accordance with Chapter 395;

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

SECTION 1. In accordance with Chapter 395 of the Texas Local Government Code, the City Council has employed qualified professionals to prepare amendments to the Land Use Assumptions and Capital Improvement Plan for the modification of water, wastewater, and roadway impact fees within the City limits and service area boundaries,

SECTION 2. The City Council hereby schedules a public hearing on the amendments to the Land Use Assumptions and Capital Improvement Plan for the possible modifications of water, wastewater, and roadway impact fees on Thursday, January 5, 2023, beginning at 6:30 p.m. at Lucas City Hall, 665 Country Club Road, Lucas, Texas 75502-7651.

SECTION 3. The City Secretary is directed to have notice, as attached hereto, of such public hearing published in the Allen American, on Saturday, December 3, 2022. The City Secretary is further directed to send notice of hearing by certified mail to any person who has given written notice to the City Secretary requesting notice of such hearing.

SECTION 4. Copies of the Land Use Assumptions and Capital Improvement Plan for water, wastewater and roadway facilities shall be on file in the office of the City Secretary.

SECTION 5. This Resolution shall take effect immediately from and after its passage and publication of the caption, as the law and Charter in such case provide.

DULY RESOLVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF LUCAS, TEXAS, ON THE 17TH DAY OF NOVEMBER, 2022.

CITY OF LUCAS, TEXAS

APPROVED:

Jim Olk, Mayor

ATTEST:

Erin Day, City Secretary
(11-14-2022:TM 132361)



City of Lucas City Council Agenda Request November 17, 2022

Requester: Finance Director Liz Exum
Jeff Snowden, Capex Consulting Group

Agenda Item Request

Discuss the Capex Consulting Group Water and Wastewater Rate Study and Five-Year Financial Plan and set date for the public hearing.

Background Information

Staff contracted with Capex Consulting Group to complete an updated water and wastewater rate study for Fiscal Year 2021-2022 and for a forecast period of five years. The purpose of this study will be to design and implement a rate plan that will enable the water fund to meet operating and capital expenditure requirements for a five-year period beginning in Fiscal Year 2022-2023. The rate study includes the use of the following funding resources to address the \$7,500,000 capital improvement immediate needs identified in the Birkhoff Hendricks & Carter (BHC) Water Master Plan update:

- \$1,474,040 2019 Certificates of Obligation Funding
- \$2,119,314 American Recovery Plan Act (ARPA) Funding
- \$1,116,461 Partial Funding set aside for the water tower project
- \$790,185 Water Fund Reserves
- \$5,500,000 Total potential funding sources

This study also takes into account that our wholesale provider, North Texas Municipal Water District, is increasing our wholesale water rates by 13 percent. The study considers each customer class (residential or commercial) to make sure any rate structure is just and reasonable. It also reflects national and industry standards for ratemaking as well as making sure our rates are competitive with other water providers in the area. Jeff Snowden from Capex Consulting Group will be presenting the results from the water and wastewater rate study.

Section 10.03, Regulation of Rates in the City of Lucas Home Rule Charter, calls for a public hearing for consideration of any change to rates. The following dates are listed below for needed time requirements:

- Water and Wastewater Rate Study and Five-Year Financial Plan Nov. 17, 2022
- Place newspaper ad in Allen American Jan. 01, 2023
- Hold public hearing for adjusting Water and Wastewater Rates Jan. 19, 2023
- Adopt Ordinance amending Code of Ordinances, Appendix C, "Fee Schedule" adjusting the water and wastewater rates Feb. 02, 2023

Attachments/Supporting Documentation

1. Water and Wastewater Rate Study and Five-Year Financial Plan



City of Lucas
City Council Agenda Request
November 17, 2022

Budget/Financial Impact

Varies according to usage.

Recommendation

Staff recommends approval of the Water and Wastewater Rate Study and Five-Year Financial Plan for a proposed implementation date beginning with March 1, 2023, for year one and subsequent effective dates of October 1, 2023, through October 1, 2026, for years two through five.

Motion

I make a motion to approve the results of the Water and Wastewater Rate Study and Five-Year Financial Plan and schedule the public hearing for January 19, 2023.

City of Lucas, Texas

Water and Wastewater Rate Study and Five Year Financial Plan

Presented

November 17, 2022

Capex Consulting Group

Email: jsnowden@capexconsulting.com

Web site: www.capexconsulting.com



Water and Wastewater Rate Study Objectives

- **Review operating history, debt obligations, and prepare forecasts**
 - Review billing system data and confirm implementation of previous rate recommendations and customer classes
 - Evaluate existing and proposed debt
- **Evaluate current rate structure**
 - Does each customer class contribute an equitable share of revenue based on demand?
 - Are revenues generated at appropriate levels of consumption for each customer class
 - Do rates generate revenue sufficient to pay current and forecast operating and capital costs?
- **Develop and assist with implementation of an improved rate structure**
 - Eliminate cross customer-class subsidies
 - Reduce revenue declines related to weather events
 - Compare current & recommended rates to relevant peer group
 - Provide multi-year rate phase-in
 - Generate revenue sufficient to fund operating and capital costs in a variety of consumption scenarios

Wholesale and Retail Water Flows

CITY OF LUCAS		
WATER & WASTEWATER SYSTEM FLOWS		
	NTMWD Treated Water Deliveries	Metered Water Consumpt
	MG	MG
FYE 2017	506.2	473.9
FYE 2018	562.4	503.2
FYE 2019	527.6	444.2
FYE 2020	549.2	565.6
FYE 2021	548.4	493.5
FYE 2022	728.8	649.6
6 YEAR AVG. ANNUAL GROWTH RATE	7.6%	6.5%

History of Account Growth

CITY OF LUCAS									
Accounts by Customer Class									
	ANNUAL AVERAGE								
	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022	Avg Annual Growth Rate 2017-22	Avg New Accts per Annum	
Water									
Residential Inside	2,170	2,339	2,397	2,439	2,510	2,587	3.6%	83	
Residential Outside	186	102	87	91	92	92	-13.1%	-19	
Commercial Inside	76	83	91	94	97	100	5.7%	5	
Commercial Outside	2	7	7	8	7	10	37.0%	2	
Total Water	2,446	2,534	2,582	2,632	2,706	2,788	2.7%	69	
Annual Rate of Increase	3.7%	3.6%	1.9%	1.9%	2.8%	3.1%			
Wastewater									
Commercial Inside	18	21	22	22	24	25	6.4%	1	
SYSTEM TOTAL	2,464	2,555	2,604	2,654	2,730	2,813	2.7%	70	
Annual Rate of Increase	3.8%	3.7%	1.9%	1.9%	2.8%	3.1%			

Revenue and Expense History

CITY OF LUCAS, TEXAS								
UTILITY COST OF SERVICE AND RATE DESIGN STUDY								
SUMMARY OF REVENUES & EXPENDITURES								
COMBINED UTILITY RATE & NON RATE REVENUES	FYE 17 Budget - Actual	FYE 18 Budget - Actual	FYE 19 Budget - Actual	FYE 20 Budget - Actual	FYE 21 Budget - Actual	FYE 22 - Actuals TBR	FYE 23 - Proposed	AVG. ANNUAL GROWTH FYE 2017-22
OPERATING REVENUE								
Water Sales	\$3,230,660	\$4,102,599	\$3,559,687	\$4,601,629	\$4,277,983	\$5,792,196	\$4,353,461	12.4%
Total Service Revenues	\$3,230,660	\$4,102,599	\$3,559,687	\$4,601,629	\$4,277,983	\$5,792,196	\$4,353,461	12.4%
Total Other Charges for Services	\$841,800	\$905,329	\$667,211	\$608,786	\$791,014	\$520,924	\$431,200	-9.2%
Total Operating Revenues	\$4,072,461	\$5,007,927	\$4,226,898	\$5,210,415	\$5,068,997	\$6,313,121	\$4,784,661	9.2%
OPERATING EXPENSES								
WATER FUND - OPERATIONS	\$2,775,692	\$3,033,245	\$3,093,086	\$3,236,102	\$3,244,015	\$3,580,976	\$4,014,716	5.2%
PUBLIC WORKS ENGINEERING	\$114,140	\$100,469	\$120,888	\$136,157	\$235,324	\$159,658	\$196,003	6.9%
Total Operating Expenditures	\$2,889,833	\$3,133,714	\$3,213,974	\$3,372,259	\$3,479,339	\$3,743,134	\$4,215,394	5.3%

All Water and Wastewater Debt

CITY OF LUCAS							
SUMMARY OF ALL WATER & WW DEBT							
ISSUE			Original Amount Issued	Range of Interest Rates	Bal. End FY 2022	% Allocated to Water	% Allocated To WW
Certificates of Obligation, Series 2007			\$2,500,000	Variable	\$625,000	100%	0%
Certificates of Obligation, Series 2017 - UF Component			\$2,920,000	3.0%	\$2,345,000	100%	0%
Certificates of Obligation, Series 2019 - UF Component			\$1,390,000	5.0%	\$1,240,000	100%	0%
General Obligation, Series 2020 - UF Component			\$1,165,000	4.0%	\$1,070,000	100%	0%
TOTAL			\$7,975,000		\$5,280,000	\$5,280,000	\$0
FYE	Begin Period Debt	Less Refundings	Plus Additions	Principal	Interest	Total Debt Service	Ending Principal
2022	\$5,775,000	\$0	\$0	\$495,000	\$177,135	\$672,135	\$5,280,000
2023	\$5,280,000	\$0	\$0	\$410,000	\$159,549	\$569,549	\$4,870,000
2024	\$4,870,000	\$0	\$0	\$415,000	\$144,511	\$559,511	\$4,455,000
2025	\$4,455,000	\$0	\$0	\$430,000	\$129,099	\$559,099	\$4,025,000
2026	\$4,025,000	\$0	\$0	\$445,000	\$113,261	\$558,261	\$3,580,000
2027	\$3,580,000	\$0	\$0	\$450,000	\$98,224	\$548,224	\$3,130,000
2028	\$3,130,000	\$0	\$0	\$335,000	\$84,318	\$419,318	\$2,795,000
2031	\$2,095,000	\$0	\$0	\$370,000	\$53,405	\$423,405	\$1,725,000
2032	\$1,725,000	\$0	\$0	\$240,000	\$45,305	\$285,305	\$1,485,000
2038	\$180,000	\$0	\$0	\$90,000	\$3,544	\$93,544	\$90,000
2039	\$90,000	\$0	\$0	\$90,000	\$1,181	\$91,181	\$0
2040	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Pro Forma Cash Flow under Current Rates – Avg. Consumption

CITY OF LUCAS

CASH FLOW SUMMARY-WATER & WW

CONSUMPTION SCENARIO

AVERAGE

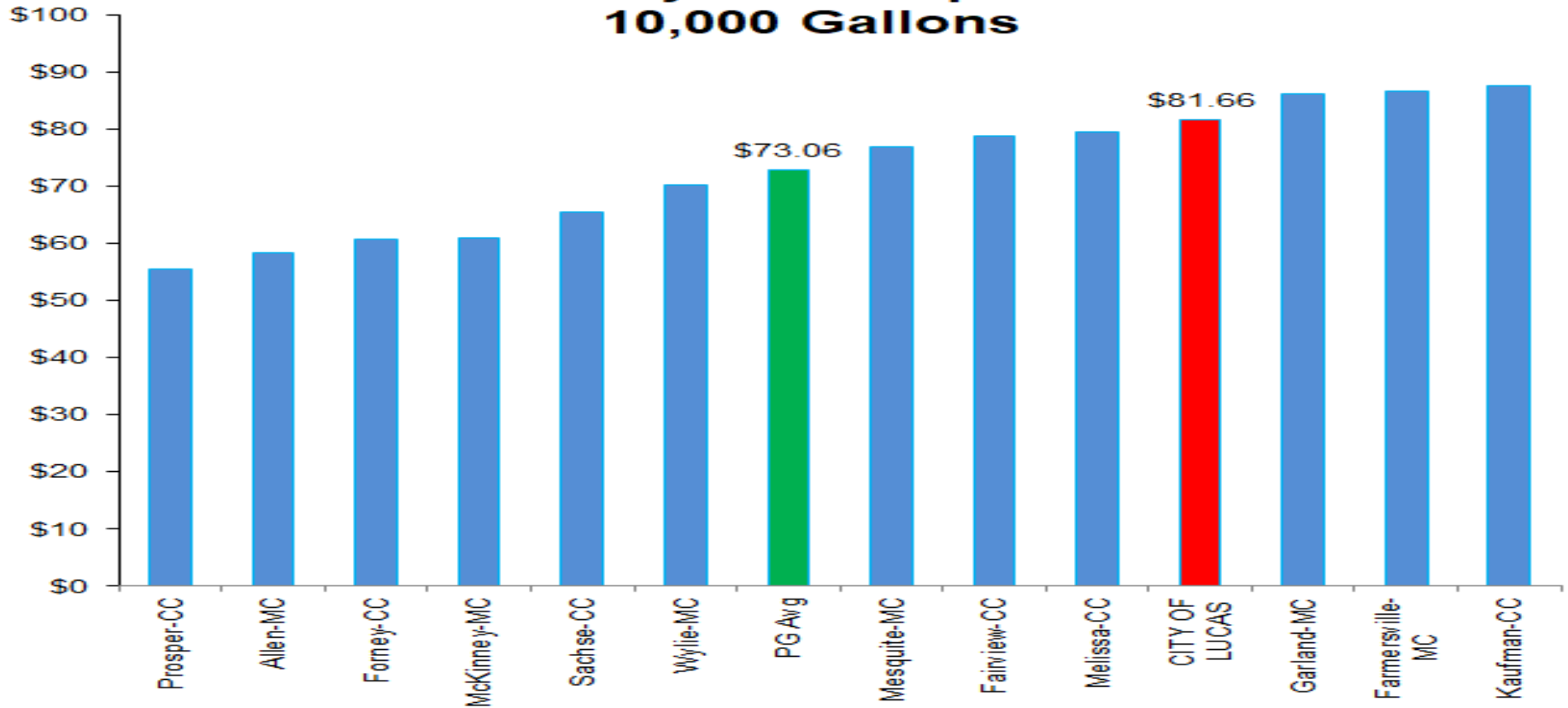
	FYE			FYE		
	2022	2023	2024	2025	2026	2027
Rate Revenues	\$5,824,357	\$4,538,600	\$4,633,003	\$4,729,370	\$4,827,741	\$4,928,158
Non-Rate Revenues	\$520,924	\$431,200	\$448,448	\$466,386	\$485,041	\$504,443
TOTAL REVENUES	\$6,345,281	\$4,969,800	\$5,081,451	\$5,195,756	\$5,312,782	\$5,432,601
TOTAL EXPENSES	\$3,743,134	\$4,215,394	\$4,701,220	\$5,141,744	\$5,580,771	\$6,001,605
Net Rev. Avail. For Debt Svc.	\$2,602,147	\$754,406	\$380,231	\$54,011	-\$267,990	-\$569,004
DS- GEN. OBLIGATION / AD VALOREM TAX SUPPORTED						
TOTAL ALL DEBT SERVICE	\$672,135	\$569,549	\$559,511	\$559,099	\$558,261	\$548,224
Coverage Ratio on All Debt: Current Rev, Current	3.87	1.32	0.68	0.10	-0.48	-1.04
CASH AFTER ALL DEBT SVC.	\$1,930,012	\$184,858	(\$179,280)	(\$505,088)	(\$826,251)	(\$1,117,228)
Total Capital Outlays	\$0	\$150,000	\$607,500	\$565,375	\$623,644	\$582,326
FY END BALANCE	\$1,930,012	\$34,858	(\$786,780)	(\$1,070,463)	(\$1,449,895)	(\$1,699,554)

Water Revenue: Distribution of Metered Water Consumption and Billed Revenue by Customer Class

CITY OF LUCAS				
REVENUE TO DEMAND COMPARISON BY CUSTOMER CLASS				
Water				
Customer Class	FYE 2021 Billed Revenue	FYE 2021 Volume	% Billed Revenue to Total	% Billed Usage to Total
Residential Inside	\$3,890,053	461,941,600	90.1%	93.6%
Residential Outside	\$108,078	7,649,100	2.5%	1.5%
Commercial Inside	\$255,029	20,143,200	5.9%	4.1%
Commercial Outside	\$66,551	3,799,600	1.5%	0.8%
Total	\$4,319,711	493,533,500	100%	100%

Residential Peer Group Comparison – Current Water Rates $\frac{3}{4}$ " Meter

Current Residential Water Monthly Bill Comparison 10,000 Gallons



Note: MC = Member City, CC = Customer City

Cost Impact of Proposed Water Rates: Residential

CITY OF LUCAS

PROPOSED WATER RATES:

Residential Inside

NO. ACCOUNTS

2,510

AVERAGE CONSUMPTION

16,117

AVERAGE CONSUMPTION - WINTER

8,242

CONSUMPTION SCENARIO

PROPOSED

METER SIZE ASSUMPTION FOR CALC

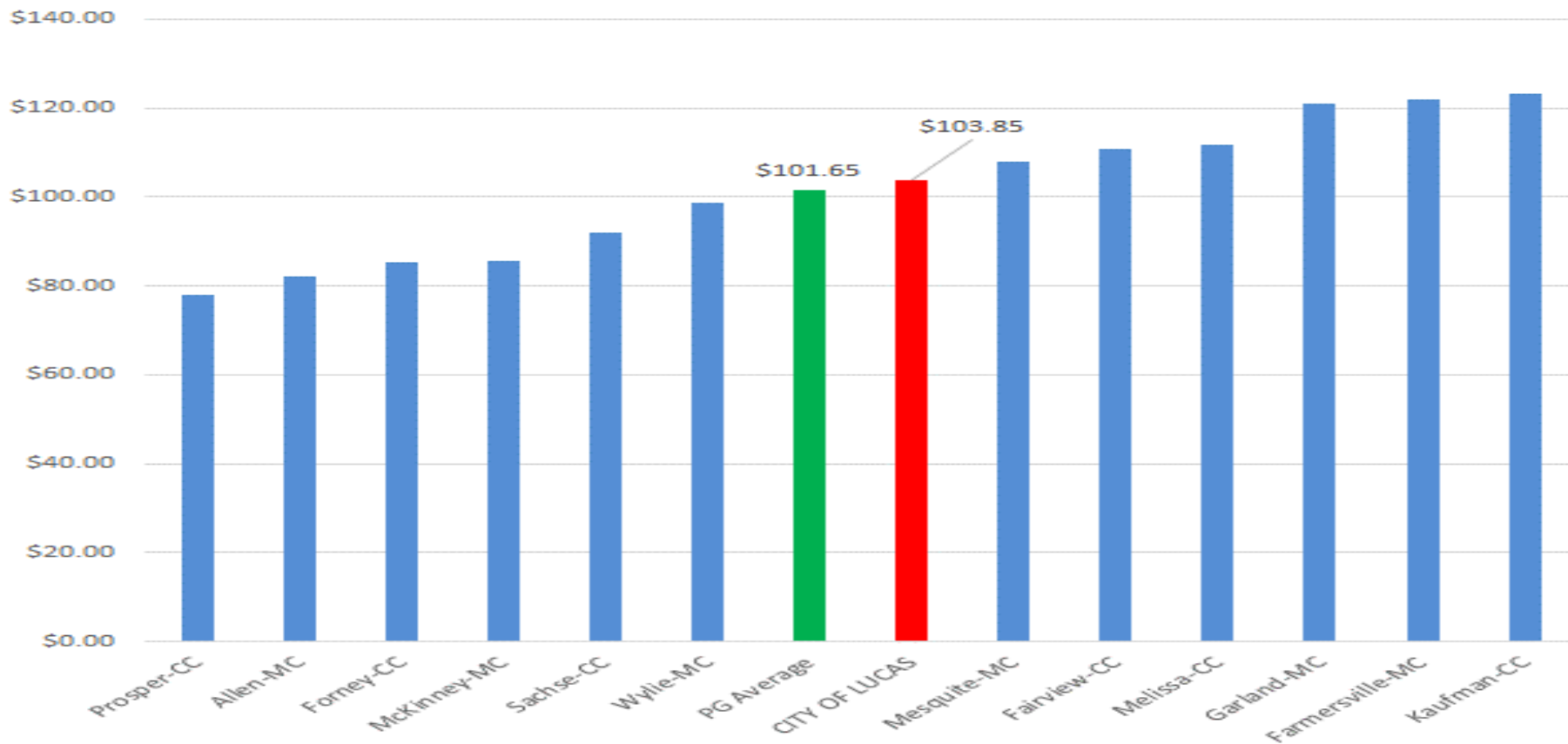
5/8 & 3/4" Meter - R1

		FYE2022	03/01/23	10/01/23	10/01/24	10/01/25	10/01/26	Avg Annual Increase
Impact on Monthly Bill			<i>\$ Incr.</i>	<i>\$ Incr.</i>	<i>\$ Incr.</i>	<i>\$ Incr.</i>	<i>\$ Incr.</i>	
Usage - Gallons	4,000	\$37.71	\$39.64	\$41.61	\$43.62	\$45.67	\$47.75	4.8%
Cost Increase			\$1.94	\$1.97	\$2.01	\$2.05	\$2.09	\$2.01
Usage - Gallons	6,000	\$52.06	\$54.71	\$57.44	\$60.23	\$63.11	\$66.07	4.9%
Cost Increase			\$2.65	\$2.72	\$2.80	\$2.88	\$2.96	\$2.80
Usage - Gallons	10,000	\$81.66	\$85.79	\$90.07	\$94.50	\$99.09	\$103.85	4.9%
Cost Increase			\$4.13	\$4.28	\$4.43	\$4.59	\$4.76	\$4.44
Usage - Gallons	16,000	\$128.16	\$134.62	\$141.33	\$148.33	\$155.61	\$163.19	5.0%
Cost Increase			\$6.46	\$6.72	\$6.99	\$7.28	\$7.58	\$7.01
Usage - Gallons	21,000	\$166.90	\$175.30	\$184.05	\$193.18	\$202.70	\$212.64	5.0%
Cost Increase			\$8.40	\$8.75	\$9.13	\$9.52	\$9.94	\$9.15

Note: 5/8" meter used for comparison purposes in order to be consistent with peer group Cities reporting to TML

Forecast Res. Peer Group Comparison after Water Rate Increases – 7% Annual PG Escalator Assumed

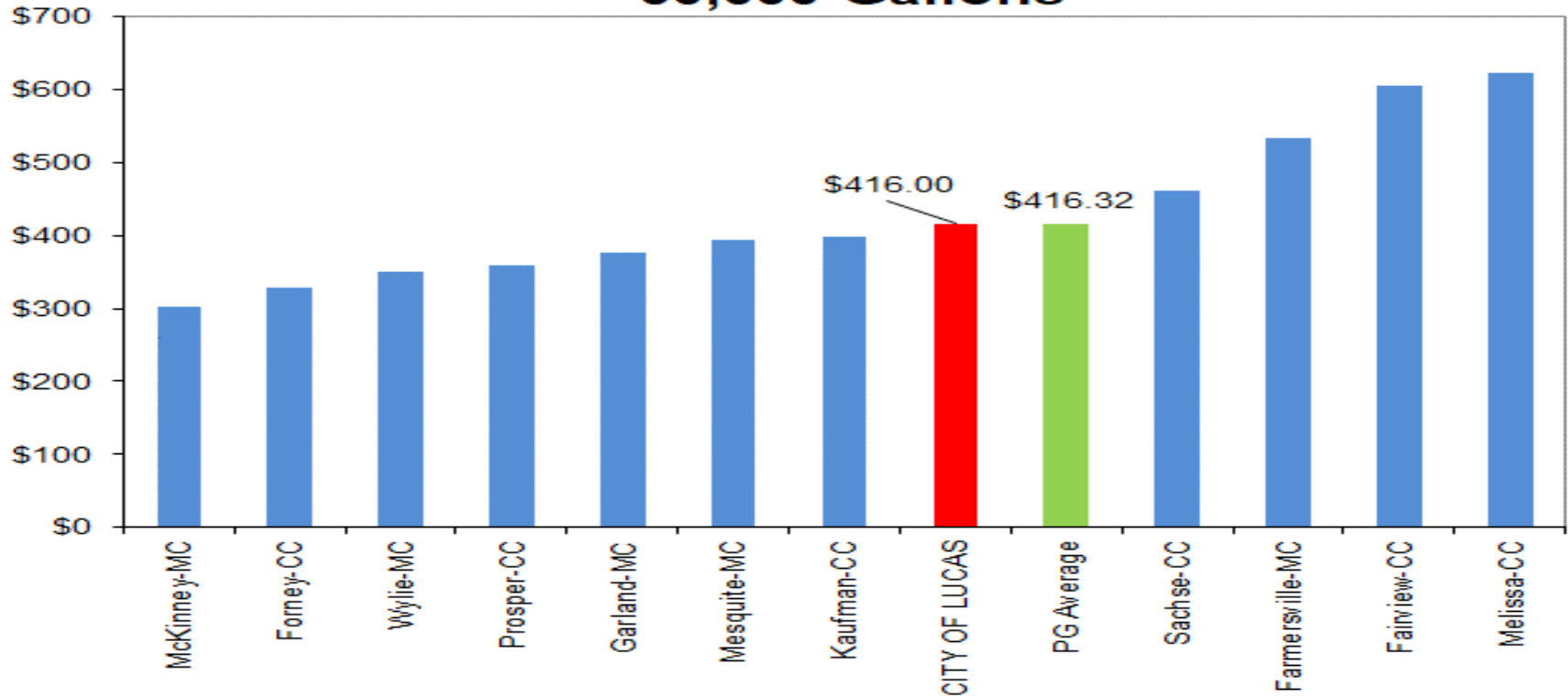
FYE 2027 Forecast Residential Water Rates @ 10,000 Gallons



Note: MC = Member City, CC = Customer City

Commercial Peer Group Comparison – Current Water Rates

Current Commercial Water Monthly Bill Comparison 50,000 Gallons



Note: MC = Member City, CC = Customer City

Cost of Proposed Water Rates: Commercial

CITY OF LUCAS

PROPOSED WATER RATES:

Commercial Inside

NO. ACCOUNTS

97

AVERAGE CONSUMPTION

21,410

AVERAGE CONSUMPTION - WINTER

13,100

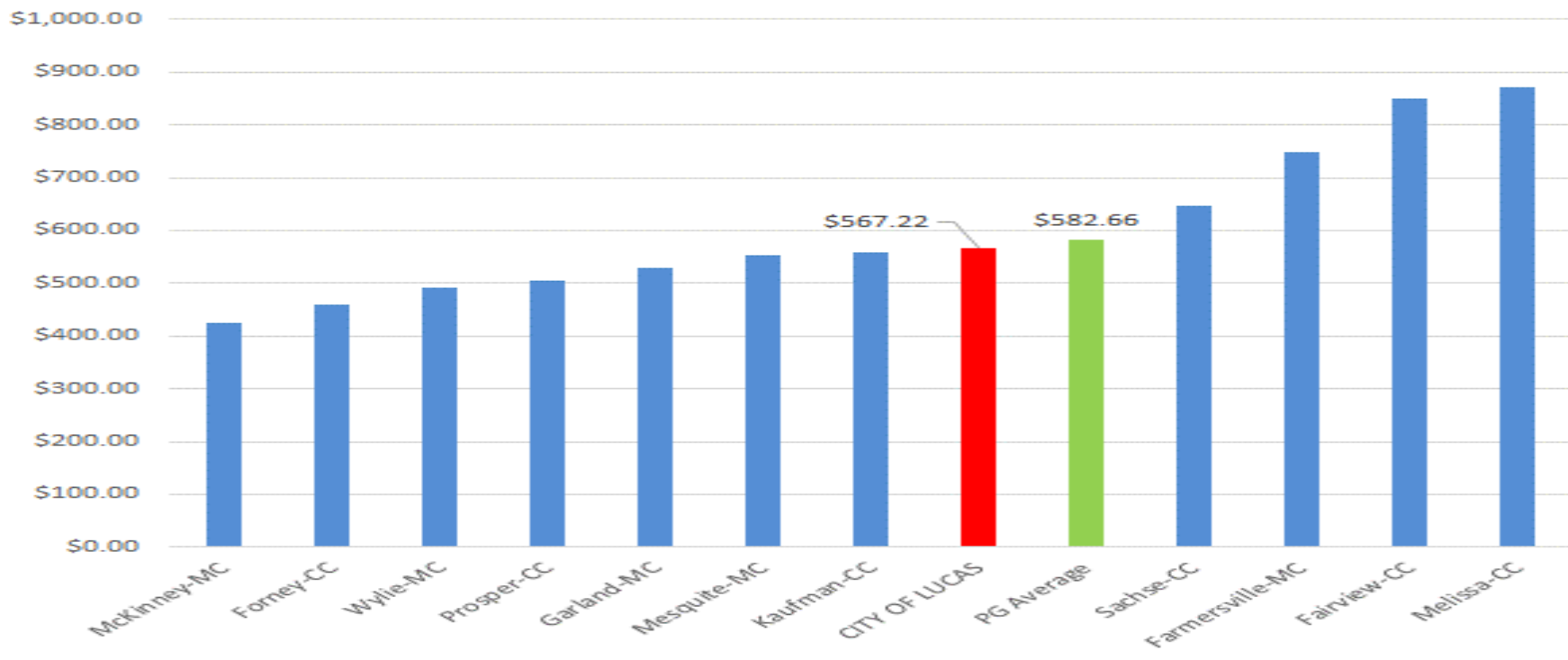
METER SIZE ASSUMPTION FOR CALC

5/8 & 3/4" Meter - CI

	FYE2022	03/01/23	10/01/23	10/01/24	10/01/25	10/01/26	Avg Annual Increase
Impact on Monthly Bill		\$ Incr.	\$ Incr.	\$ Incr.	\$ Incr.	\$ Incr.	
Usage	50,000	\$416.00	\$442.72	\$471.09	\$501.21	\$533.22	6.4%
Cost Increase			\$26.72	\$28.37	\$30.13	\$32.00	\$30.24

Forecast Comm. Peer Group Comparison after Water Rate Increases – 7% Annual PG Escalator Assumed

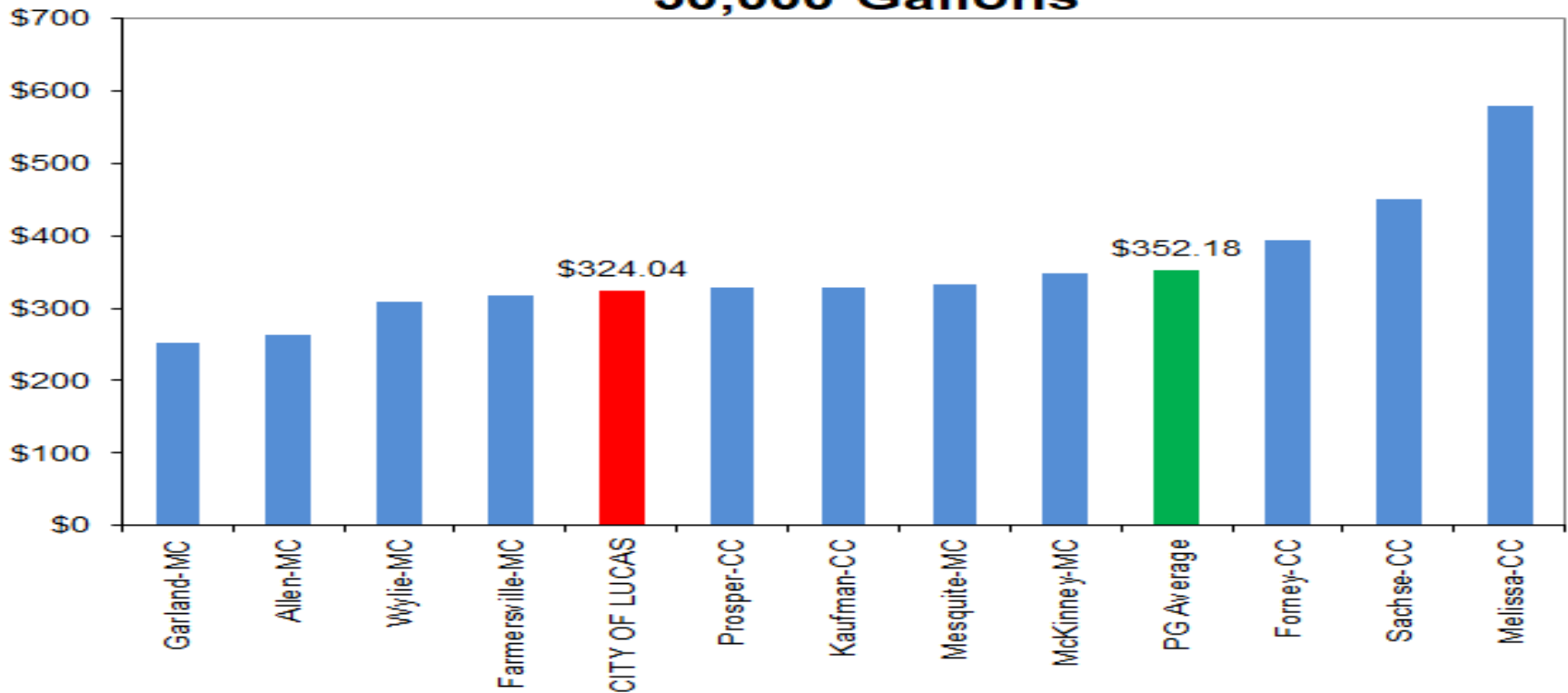
**FYE 2027 Forecast
Commercial
Meter Size = 5/8" and 3/4"
Water Bill @ 50,000 Gallons**



Note: MC = Member City, CC = Customer City

Commercial Peer Group Comparison – Current Wastewater Rates ¾” Meter

Current Commercial Wastewater Monthly Bill Comparison 50,000 Gallons



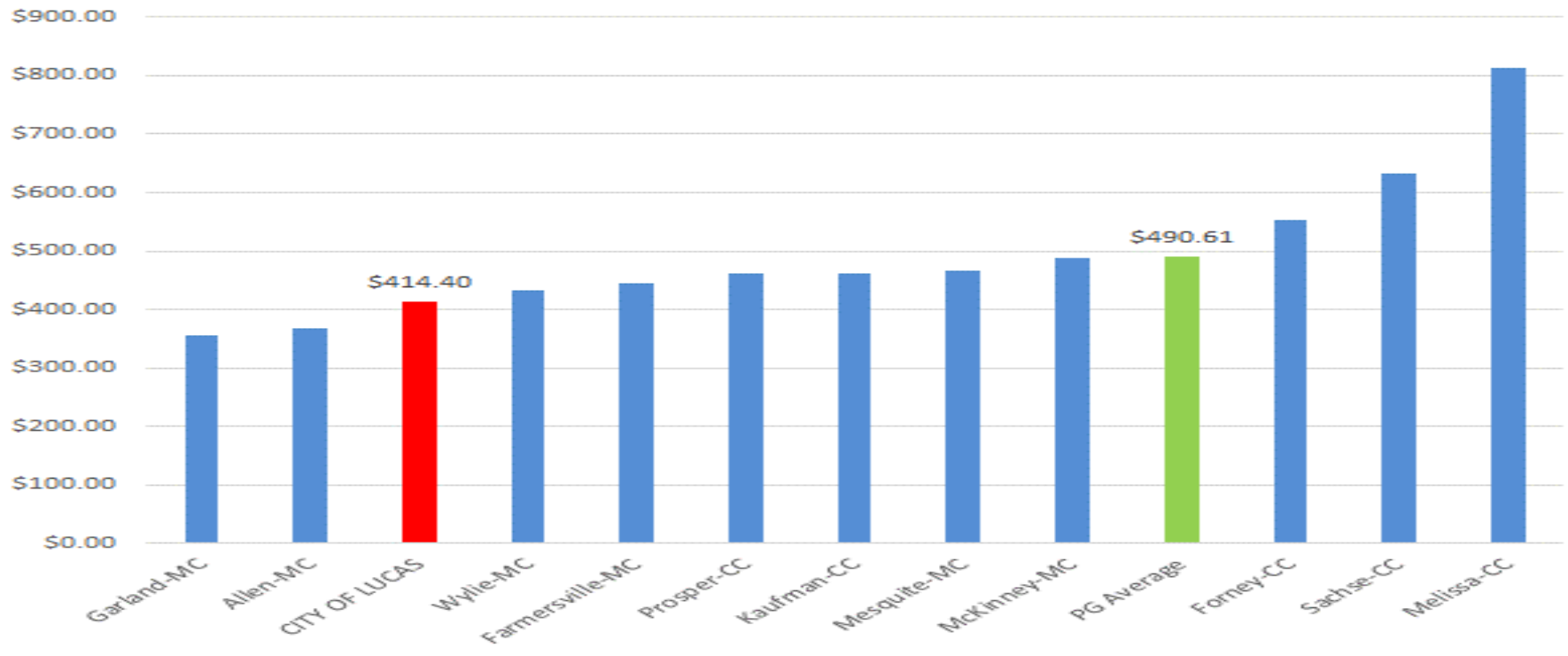
Note: MC = Member City, CC = Customer City

Cost of Proposed Wastewater Rates: Commercial

CITY OF LUCAS								
PROPOSED WASTEWATER RATES:				Commercial Inside				
NO. ACCOUNTS		25						
AVERAGE CONSUMPTION		14,542						
AVERAGE CONSUMPTION - WINTER		14,736						
METER SIZE ASSUMPTION FOR CALC				SC50 - 5/8" Meter				
		FYE2022	03/01/23	10/01/23	10/01/24	10/01/25	10/01/26	Avg Annual Increase
Impact on Monthly Bill			\$ Incr.	\$ Incr.	\$ Incr.	\$ Incr.	\$ Incr.	
Usage - Gallons	50,000	\$324.04	\$340.58	\$357.84	\$375.88	\$394.72	\$414.40	5.0%
Cost Increase			\$16.53	\$17.27	\$18.03	\$18.84	\$19.69	\$18.07

Forecast Commercial Peer Group Comparison after WW Rate Increases – 7% Annual PG Escalator Assumed

**FYE 2027 Forecast
Commercial
Meter Size = 5/8" and 3/4"
Wastewater Bill @ 50,000 Gallons**



Note: MC = Member City, CC = Customer City

Pro Forma Cash Flow under Recommended Rates – Average Consumption

CITY OF LUCAS

CASH FLOW SUMMARY-WATER & WW

CONSUMPTION SCENARIO

AVERAGE

	FYE	FYE	FYE	FYE	FYE	FYE
	2022	2023	2024	2025	2026	2027
Rate Revenues	\$5,824,357	\$4,904,760	\$5,518,744	\$5,915,980	\$6,338,590	\$6,788,282
Non-Rate Revenues	\$520,924	\$431,200	\$448,448	\$466,386	\$485,041	\$504,443
TOTAL REVENUES	\$6,345,281	\$5,335,960	\$5,967,192	\$6,382,366	\$6,823,631	\$7,292,725
TOTAL EXPENSES	\$3,743,134	\$4,215,394	\$4,701,220	\$5,141,744	\$5,580,771	\$6,001,605
Net Rev. Avail. For Debt Svc.	\$2,602,147	\$1,120,566	\$1,265,972	\$1,240,621	\$1,242,859	\$1,291,120
DS- GEN. OBLIGATION / AD VALOREM TAX SUPPORTED						
TOTAL ALL DEBT SERVICE	\$672,135	\$569,549	\$559,511	\$559,099	\$558,261	\$548,224
Coverage Ratio on All Debt: Current Rev, Current	3.87	1.97	2.26	2.22	2.23	2.36
CASH AFTER ALL DEBT SVC.	\$1,930,012	\$551,017	\$706,460	\$681,523	\$684,598	\$742,896
Total Capital Outlays	\$0	\$150,000	\$607,500	\$565,375	\$623,644	\$582,326
FY END BALANCE	\$1,930,012	\$401,017	\$98,960	\$116,148	\$60,954	\$160,570

Recommended Next Steps

- Incorporate Staff and Council comments into study
- Advise ratepayers of proposed increases
- Approve rate ordinance



City of Lucas

City Council Agenda Request

November 17, 2022

Item No. 05

Requester: City Council
City Secretary Erin Day

Agenda Item Request

Consider board/commission appointments to the Board of Adjustment (also serving as the Building and Standards Commission) and the Planning and Zoning Commission (also serving as the Capital Improvements Advisory Committee) for a two-year term beginning on January 1, 2023 and expiring on December 31, 2024.

Background Information

Per the Board Appointment Policy established in December 2019, new board applications are submitted to the City Council during November to consider prospective applicants to be interviewed for vacant positions or possible appointments. The deadline for application submittal is November 1, 2022. Currently, all incumbents on the Planning and Zoning Commission and the Board of Adjustments with terms expiring December 31, 2022, are seeking reappointment.

Board/commission members with terms expiring are outlined below noting if they would like to serve another two-year term.

PLANNING AND ZONING COMMISSION (also serving as the Capital Improvements Advisory Committee)	
<i>Board/Commission Member</i>	<i>Reappointment Consideration for 2-year term</i>
Dusty Kuykendall	Yes
Tommy Tolson	Yes
Joe Williams	Yes
James Foster, Alternate Member	Yes
Vacancy: Should the City Council reappoint existing board members, there would be no vacancies.	
BOARD OF ADJUSTMENT (also serving as the Building and Standards Commission)	
Ron Poteete	Yes
Brian Dale	Yes
Michael Dunn, Alternate Member	Yes
Vacancy: Should the City Council reappoint existing board members, there would be no vacancies.	

Attachments/Supporting Documentation

1. Board Appointment Policy
2. Board attendance sheets
3. Board applications (*sent under separate attachment*)



City of Lucas

City Council Agenda Request

November 17, 2022

Item No. 05

Budget/Financial Impact

NA

Recommendation

City Council Liaison to the Planning and Zoning Commission Mayor Jim Olk is recommending the following incumbents be reappointed:

- Dusty Kuykendall
- Tommy Tolson
- Joe Williams
- James Foster (Alternate Commissioner)

City Council Liaison to the Board of Adjustments Mayor Pro Tem Kathleen Peele is recommending the following incumbents be reappointed:

- Ron Poteete
- Brian Dale
- Michael Dunn (Alternate Member)

Motion

Motion 1:

I make a motion to appoint/reappoint:

- 1.
- 2.
- 3.
- 4.

to the Planning and Zoning Commission and the Capital Improvements Advisory Committee for a two-year term beginning on January 1, 2023 and expiring on December 31, 2024.

Motion 2:

I make a motion to appoint/reappoint:

- 1.
- 2.
- 3.

to the Board of Adjustments and the Building and Standards Commission for two-year terms beginning on January 1, 2023 and expiring on December 31, 2024.



City of Lucas

BOARD APPOINTMENT POLICY

PURPOSE

The purpose of the Board Appointment Policy is to provide procedures and standards for the appointment process by the City Council, and guidelines for citizens being appointed to a City of Lucas board or commission.

APPLICATION PROCESS

The City of Lucas will advertise in the Lucas Leader and on the City website during the months of September and October each year for the recruitment of new board members.

A Meet and Greet reception will be held on the 4th Thursday in October at 6:30 pm at City Hall for citizens interested in serving on a board as well as existing board members. The reception will provide an opportunity for each City Council liaison to provide information on the board/commission they represent.

Board applications will be accepted through November 1st each year.

New board member applications will be submitted to the City Council for review at the first meeting in November, and the City Council will determine which prospective applicants they would like to interview.

Interviews with the City Council may take place at the second meeting in November.

Prospective applicants of the Board of Adjustment and Planning and Zoning Commission may meet with City Councilmembers during Executive Session. Prospective applicants of the Parks and Open Space Board and Technology Committee may meet with the City Council during the open regular session of the meeting and may be called upon to speak at the podium with the City Council.

During the interview process in Executive Session or during the regular open session meeting, a prospective board member may expect to be asked about the following items:

- Why the applicant would like to serve their community
- What experience the applicant could bring to a board/commission
- What is the applicant's vision for the City
- How the applicant's skillset would benefit the board they are interested in serving
- Any other questions the City Council deems appropriate for that board/commission

APPOINTMENT PROCESS FOR NEW BOARD MEMBERS

At the first City Council meeting in December, board member appointments will be placed on the City Council agenda.

Following City Council appointment, the City Secretary will notify new board members of their appointment along with procedures for setting up email and appropriate training.

Each new board member will be required to take part in Open Meetings Act training (50-minute video on Attorney General's website), sign a Statement of Officer paperwork and Oath of Office paperwork within 30 days of being appointed. Each new board member will also be required to setup a City of Lucas email account where the City will correspond with the board member for meeting notices, Board packet distribution, and general correspondence.

REAPPOINTMENT PROCESS FOR EXISTING BOARD MEMBERS

In October each year, the City Secretary shall contact existing board members whose terms are expiring confirming they would like to be considered for reappointments.

At the first City Council meeting in December, reappointment of existing board members whose term are expiring will be considered. Board member attendance may be brought before the City Council as part of reappointment consideration.

The City Council will review each board and vote upon each board member whose term is expiring.

The City Secretary shall contact each board member who was reappointed for another two-year term.

For any existing board members that would like to serve on a different board, a new application shall be completed and submitted for City Council consideration.

Approved by City Council: December 19, 2019

July 8, 2021	Present	Absent	Present	Present	Absent	Absent	Present
August 12, 2021	Present	Present	Present	Absent	Present	Present	Present
September 9, 2021	Present	Present	Absent	Present	Present	Absent	Absent
October 14, 2021	Present	Present	Present	Present	Absent	Present	Present
November 11, 2021	Present	Absent	Present	Present	Present	Absent	Present
December 9, 2021	Present	Present	Present	Present	Present	Present	Present
January 13, 2022	Present	Present	Present	Absent	Present	Present	Present
February 10, 2022	Present	Present	Present	Present	Present	Absent	Absent
March 10, 2022	Present	Present	Present	Present	Present	Present	Present
April 14, 2022	Absent	Present	Present	Present	Present	Present	Present
May 12, 2022	Present	Present	Present	Present	Present	Present	Present
June 9, 2022	Present	Present	Present	Present	Present	Present	Present
July 14, 2022	Present	Absent	Present	Present	Present	Absent	Absent
August 11, 2022	Absent	Present	Present	Present	Present	Absent	Present
September 8, 2022	Present	Present	Absent	Present	Present	Absent	Absent
October 13, 2022	Present	Present	Present	Absent	Present	Present	Present
Total of 22 Meetings for 2021-2022							
2021-2022 Attendance Totals:	Present: 20 Absent: 2	Present: 17 Absent: 5	Present: 20 Absent: 2	Present: 19 Absent: 3	Present: 19 Absent: 3	Present: 11 Absent: 9	Present: 13 Absent: 4

*Denotes Board members whose terms expire in December 2022

Parks and Open Space Board Attendance 2021-2022

Meeting Date 2021-2022	David Rhoads* Chairman	Bill Esposito Vice Chairman	Pam Poteete*	Ken Patterson	Christel Parish*	Laura Giles* Alternate 1	John Elliot Alternate 2
	Term Expires: 2022	Term Expires: 2023	Term Expires: 2022	Term Expires: 2023	Term Expires: 2022	Term Expires: 2022	Term Expires: 2023
January 26, 2021	Present	Present	Present	Present	Present	Present	Appointed August 4, 2022
March 23, 2021	Present	Present	Absent	Present	Present	Present	
May 25, 2021	Present	Present	Present	Present	Present	Present	
July 27, 2021	Present	Present	Present	Present	Absent	Absent	
August 4, 2021	Present	Present	Present	Present	Absent	Present	
August 26, 2021	Present	Present	Present	Present	Present	Present	
September 28, 2021	Present	Present	Present	Present	Present	Absent	
November 16, 2021	Present	Present	Present	Present	Present	Present	
December 13, 2021	Present	Present	Absent	Present	Present	Absent	
January 25, 2022	Present	Present	Present	Absent	Present	Present	
March 22, 2022	Present	Present	Present	Present	Absent	Present	
May 24, 2022	Present	Present	Present	Present	Present	Absent	
July 26, 2022	Present	Present	Present	Present	Present	Present	
August 30, 2022	Present	Present	Present	Present	Absent	Absent	
September 27, 2022	Present	Present	Present	Present	Present	Present	Present
Total of 15 Meetings for 2021-2022							
2021-2022 Attendance Totals:	Present: 15 Absent: 0	Present: 15 Absent: 0	Present: 13 Absent: 2	Present: 15 Absent: 0	Present: 9 Absent: 4	Present: 8 Absent: 5	Present: 1 Absent: 0

*Denotes Board members whose terms expire in December 2022



City of Lucas City Council Agenda Request November 17, 2022

Item No. 06

Requester: Mayor Jim Olk

Agenda Item Request

Executive Session: An Executive Session is not scheduled for this meeting.

As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas
City Council Agenda Request
November 17, 2022

Item No. 07

Requester: Mayor Jim Olk

Agenda Item Request

Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA