

**NOTICE IS HEREBY GIVEN THAT  
THE CITY COUNCIL OF THE CITY OF LAKEWAY, TRAVIS COUNTY, TEXAS  
will meet in Regular Session on Monday, March 19, 2018 at 6:30 p.m.  
Lakeway City Hall, 1102 Lohmans Crossing Road, Lakeway, Texas**

**AGENDA**

- 1. Establish Quorum and Call to Order.**
- 2. Pledge of Allegiance.**
- 3. Financial Report.**
  - Staff report by Assistant City Manager Julie Oakley.
- 4. Presentation of Audit Report.**
  - Presentation by Singleton, Clark & Company, P. C.
  - Citizen participation.
  - Council discussion/action.
- 5. Approve an Interlocal cooperation agreement with the Central Texas Water Coalition.**
  - Staff report by City Manager Steve Jones.
  - Presentation by Central Texas Water Coalition.
  - Citizens participation.
  - Council discussion/action.
- 6. Update on Police Facility Project from City Manager Steve Jones.**
- 7. Special Use Permit: Warehouse / Storage Facility: Consider a request from Edward and Esther Trevino, the owners of the property located at 1009 Ranch Road 620 North (Lots 9-10 and Lot 36 Cardinal Hills Estates, Unit 11), for approval of a Special Use Permit to operate warehouse / privately owned garage units to be known at Garages of Texas.**
  - Staff report by Building & Development Services Director Ray Miller.
  - Citizen participation.
  - Council discussion/action.
- 8. City Center PUD (Mixed Use Development):** Consider a request from Lakeway Municipal Utility District, the owner of a 56.918 acre tract and Lake Travis Church of Christ, the owner, the owner of a 6.061 acre tract for a combined 62.979 acres of land located at 1801 and 1931 Lohmans Crossing and situated west and northeast of the Lakeway Police Facility for a change in Zoning Classification from Government, Utility, Institutional (GUI) to Planned Unit Development (PUD).
  - Staff report by Building & Development Services Director Ray Miller.

- Citizen participation.
- Council discussion/no action to be taken.

9. **Ordinance:** An ordinance repealing Chapter 1, Article 1.02, Section 1.02.002 of the Lakeway Code of Ordinances, designating the location of the polling place in the election precinct established for municipal elections.
  - Staff report by City Secretary Jo Ann Touchstone.
  - Citizen participation.
  - Council discussion/action.
10. **Ordinance:** Repealing the creation of a comprehensive plan committee as defined in Division 2, Section 2.03 of the city's code of ordinances and providing for provisions for approval of a comprehensive plan committee by resolution.
  - Staff report by Assistant City Manager Julie Oakley.
  - Citizen participation.
  - Council discussion/action.
11. **Resolution:** Approving the creation of the Comprehensive Plan Steering Committee.
  - Staff report by Assistant City Manager Julie Oakley.
  - Citizen participation.
  - Council discussion/action.

## 12. Citizens Participation.

13. **Discuss and consider** purchasing Lot 10, Block B, and Lot 2, Block C, Oaks of Lakeway. (*The City Council will adjourn to executive session to discuss this item.*)

**CONSENT AGENDA: All items may be approved by one Council vote. Members of the Council may pull items from the consent agenda for discussion.**

14. **Approve Minutes:** Regular Council Meeting of January 29, 2018.
15. **Approve Minutes:** Regular Council Meeting of February 20, 2018.
16. **Approve City Investment Policy.**
17. **Approve Resolution:** Approving submission of the grant application for the Alternative Fueling Facilities Program to the Texas Commission on Environmental Quality.
18. **Approve Contract:** Capital Area Council of Governments Interlocal Contract for Implementation of Solid Waste Management Activities, FY 2018-2019.

**END CONSENT AGENDA**

19. **Adjourn.**

Signed this the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

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**Joe D. Bain, Jr., Mayor**

All items may be subject to action by City Council, pursuant to Ordinance No. 2001-10-29-1, Article VI.

The City Council may adjourn into Executive Session at any time during the course of this meeting to discuss any matters listed on the agenda, as authorized by the Texas Government Code including, but not limited to, Sections: 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), 551.087 (Economic Development), 418.183 (Deliberations about Homeland Security Issues) and as authorized by the Texas Tax Code including, but not limited to, Section 321.3022 (Sales Tax Information).

Certification: I certify that the above notice of meeting was posted on the City of Lakeway Official Community Bulletin Board on the \_\_\_\_ day of \_\_\_\_\_, 2018 at \_\_\_\_ a.m./ p.m. Council approved agendas and action minutes are available on line at <http://www.lakeway-tx.gov/>. The City of Lakeway Council meetings are available to all persons regardless of ability. If you require special assistance, please contact Jo Ann Touchstone, City Secretary, at 512-314-7506 at least 48 hours in advance of the meeting.

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**Jo Ann Touchstone, City Secretary**

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# February 2018 Financial Report

Julie Oakley  
City of Lakeway

Assistant City Manager

# BUDGET VS ACTUALS COMPARISON

## General Fund FY 17-18 Budget vs Actual

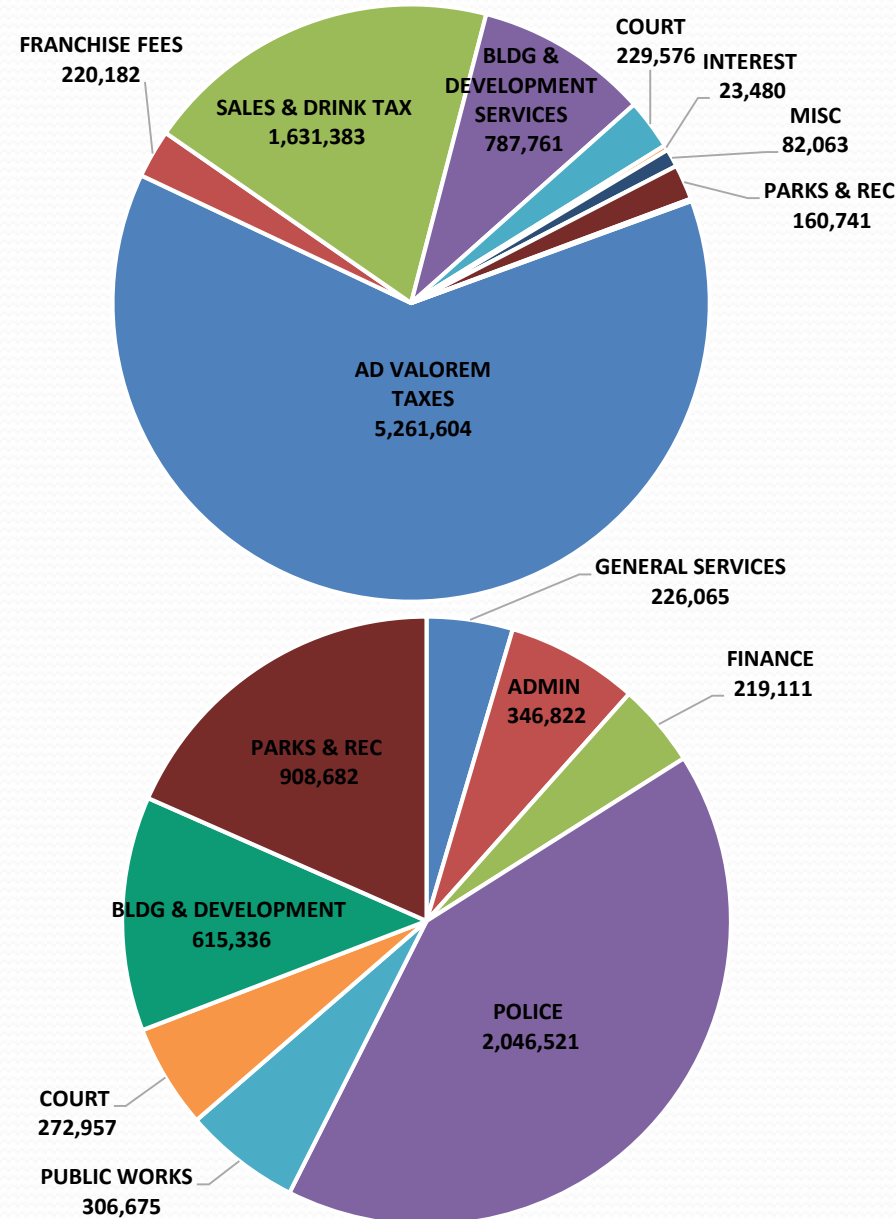
### REVENUE

Budget	\$8,345,742
Actual	<u>\$8,407,257</u>
Variance	\$61,515

### EXPENSES

Budget	\$5,075,406
Actual	<u>\$4,942,169</u>
Variance	\$133,237

Total Variance	\$194,752
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Item # 5

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Steve Jones  
City Manager

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## Staff Report

**Meeting date:** March 19, 2018

**Agenda item:** Approve an Interlocal Cooperation Agreement with the Central Texas Water Coalition.

**Background:** The Central Texas Water Coalition (CTWC) is a private, non-profit group that advocates for judicious and reasonable management of water in the Highland Lakes. For many years, the CTWC has represented the interests of the businesses and residents of the Highland Lakes area with respect to management of the water supply before the Lower Colorado River Authority, the Texas Commission on Environmental Quality, and other public and private organizations.

The CTWC seeks to advance public health and safety by assuring that we have adequate water supplies to meet current and future water demands, and it promotes the local economy that depends upon the lakes as a major draw for trade and industry.

The City has supported the CTWC to the extent that its mission and work generally align with many of the city's goals and objectives. To that end, the City and CTWC entered into an agreement for services for the past three years. The CTWC believes it has represented the interests of the city well, and it has requested to renew the agreement another year.

A representative of the CTWC will be present at the meeting to report on the Coalition's work in 2017, and its plan for the year ahead.

**Recommendation:** Staff recommends approval of the interlocal agreement.

**Fiscal impact:** The agreement provides for a fee of \$5,000.

**Enclosure(s):** Draft of the interlocal agreement

## PROTECTING THE HIGHLAND LAKES

**The Central Texas Water Coalition advocates for**

- Responsible water management policies that minimize fire risks, risks to the drinking water supply and adverse economic impacts that result from very low lake levels
- Equitable pricing for water to encourage conservation by all
- Use of current scientific data in water management decisions

The Highland Lakes provide water for 2 million Central Texans and serve as an economic engine for our region.

In 2011, during the drought, nearly half of the available water supply in Lake Travis was released downstream. Lake-area businesses closed, properties were at increased fire risk, jobs were lost and property values declined. That year, due to a flawed Water Management Plan, water was sold – at greatly reduced prices – to flood rice fields. More water was lost on its way to those rice fields than the city of Austin saves through its water conservation program in a year.

Since 2011, the Central Texas Water Coalition has worked to ensure what happened then doesn't happen again. Against the odds, we helped secure adoption by the LCRA of an updated Water Management Plan that represents significant progress from past practices. But much work needs to be done.

Coalition partners include more than 3,000 Texas residents, businesses, local government representatives, property owner associations, environmental interests and concerned citizens. All are united by their commitment to protect our future through responsible water management and conservation policies.

The Central Texas Water Coalition is a 501(c)(4) non-profit organization advocating for water policies that will preserve the Highland Lakes as irreplaceable natural resources supplying water for more than two million Central Texans and providing an important economic engine for the tourism industry and the state of Texas.

## CTWC BOARD OF DIRECTORS

Jo Karr Tedder, President

David Lindsay, Secretary & VP, Technical Research

Bill Aydam, Treasurer

Kevin Klein, VP, Communications

Dorothy Taylor, VP, Administration

Pete Clark, Legislative Committee Chair

Buddy Harris, Conservation Committee Chair

Frank Cooley, Legal Committee Chair

Jim Maury, Finance Committee Chair

Harry Ransier, Lake Buchanan Outreach Chair

Jodi Allen, Lake Travis Outreach Chair

Donna Klaeger, Statewide Outreach Chair

Izzy Neusch Hauss, Environment Chair

Jimmy Montgomery, Business Chair, Lake Travis

Bill Morris, Realty Outreach Chair, Lake Travis

Susan Patten  
Executive Director  
Susan.Patten.ctwc@gmail.com



## WE NEED YOUR HELP TO KEEP PROTECTING THE LAKES

CTWC takes a broad-based and multi-disciplinary approach that is based on applying facts, current science and best practices to water management. Funding is needed for hydrology experts, water attorney, coordination of regulatory and legislative representation and organizational efforts to leverage the passion of dedicated volunteers.

This will be a very active year as we have several major work items, including:

- First-ever Sunset Review of LCRA
- Update of the 2015 Water Management Plan to incorporate the new off-channel reservoir and new Drought of Record hydrology and work to improve protective measures. We also need to be sure large projected increases in regional population are incorporated.
- Development of updated planning basis for the Region K Water Plan, with a focus on assessing water availability and developing plans to improve conservation and reduce large water losses



## WHAT WE'RE WORKING FOR

With significant growth in the state's population occurring and expected to continue, unreliable rainfall could pose a real threat to the state's drinking water supply, public health and safety, and the economy. Annual economic losses from not meeting water supply needs could be devastating.

We can't control the rainfall, so we must plan for the future and ensure responsible and forward-thinking management of the resources we have during floods, drought, or our new normal.

## HISTORY OF CTWC

In May of 2010, the Lower Colorado River Authority (LCRA) appointed a Water Management Plan Stakeholders Advisory Committee, which consisted of 16 individuals representing diverse interests: rice producers, environmentalists, water supply customers and the Lakes.

Individuals representing the Highland Lakes formed CTWC in 2011 to provide a united voice for Central Texas. Friends of CTWC, a 501(c)(3) tax-deductible non-profit organization was formed in 2012.

## GOALS OF CTWC

CTWC continues to represent lake interests by educating the public on the need for responsible water management, encouraging conservation, and urging citizen involvement to help protect the Lakes and our future.

*As a CTWC member you will receive important information about water-related issues that directly impact your neighbors, your business, and the economic viability of this region.*

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For more information or to support CTWC go to  
[CentralTexasWaterCoalition.org](http://CentralTexasWaterCoalition.org)

To make a tax deductible donation go to [FriendsOfCTWC.org](http://FriendsOfCTWC.org)

[Facebook.com/CentralTexasWaterCoalition](https://Facebook.com/CentralTexasWaterCoalition)

[Twitter.com/CentralTxWater](https://Twitter.com/CentralTxWater)

CENTRAL TEXAS

WATER COALITION

# WATER COALITION

**WHAT**  
is the problem?



## Are the Highland Lakes supposed to be full?

**By design, the Travis and Buchanan reservoirs in the Highland Lakes fluctuate. During the drought of 2008-2016, reservoirs dropped and remained at devastating levels. They regained capacity in part because exceptional sustained heavy rains fell in the right places to fill the Lakes. Additionally, CTWC played a positive role in achieving several advances in water management:**

- LCRA obtained temporary TCEQ emergency orders to curtail releases of water from the lakes for downstream interruptible customers during the 2012-2015 irrigation seasons.
- The 2015 Water Management Plan established a 600,000 acre feet reserve, ended unlimited releases by LCRA, and separated releases into two crops, and institutionalized the triggers of the emergency orders.
- LCRA began assessing higher interruptible water rates, including surcharges for excessive water use, on its downstream irrigation customers.

### **Extremely low lake levels cause:**

- Significant increases in fire risks due to water accessibility issues
- Large reductions in property values and associated tax revenue for our schools and government
- Loss of revenue for businesses and lost jobs
- Significant water-use curtailment provisions

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[Twitter.com/CentralTxWater](https://Twitter.com/CentralTxWater)

**ENTRALTEXAS**

**WATER COALITION**



## **The Highland Lakes remain at risk because of complex issues:**

### **The 2015 LCRA Water Management Plan needs further updates**

CTWC worked with other stakeholders to secure adoption of the 2015 LCRA Water Management Plan, but more change is needed.

- The models for how much water is available don't factor in a reserve when determining how much water is available to Firm Customers (the municipalities, counties and businesses that contract for water supplies). The lack of a reserve for Firm Customers may promote sales and consumption of more water than is available in an extended drought.
- The current Plan still allows for large releases to agribusiness, even if the region is going into a drought. This can quickly deplete the lakes during droughts such as the one that occurred 2008-2016.
- The Plan doesn't reflect the lower inflow hydrology of the new Drought of Record of 2008-2016.
- The Plan doesn't reflect the new Arbuckle reservoir.

#### **What's a "Drought of Record"?**

Texas uses the concept of a Drought of Record as the foundation of water management. The drought of 2008-2016 was worse than the previous Drought of Record from the 1950s, but the Water Management Plan has not been updated to reflect this designation.

### **Water pricing is still inequitable and unsustainable**

LCRA has slightly raised the price of raw water to agribusiness and is charging a surcharge for high use, but more needs to be done.

- Price increases for raw water are being phased in over seven years and even then, prices are far lower for agribusiness than Firm customers. The price of water doesn't reflect the replacement cost and the cost of new supplies.
- LCRA charges for the canal distribution system as it exists but doesn't cover costs of improving the system to reduce losses during transport.
- Low prices do not stimulate conservation and do not fund conservation projects.
- Low prices stimulate demand by downstream growers to increase farm acreage for high-water-use crops like rice.

### **Water management decisions don't consider economic impact**

Economic impact from low lake levels is not part of the state water code and is not currently considered in water planning.

- Central Texas is experiencing dramatic growth, which will drive increases in water needs. No new water supply projects have been identified for Central Texas, and the relatively small Arbuckle reservoir under construction downstream will not directly provide water for upstream use.
- CTWC supports legislation that would allow consideration of economic impact related to low lake levels in the consideration of water planning.

#### **What do we mean by "Hydrology"?**

Historically, inflows into the Colorado River basin were high, and the Water Management Plan was structured when those high inflows were "normal." The hydrology has changed such that the rain and resulting inflows don't replenish reservoirs as quickly. Those rains aren't "normal" anymore.

### **Weather experts predict more drought**

Research shows a drying trend has been moving across Texas.

- A recent Texas Water Development Board study shows the hydrology in our Central Texas watershed is producing less inflows than previous periods.
- We need routinely updated hydrology and climatology studies included in the plan to ensure current and projected conditions are reflected.



### CTWC Focus 2018-2019

#### **Raise key water management issues through Sunset Advisory Commission's Review of LCRA**

Through Sunset review process, CTWC is seeking potential changes in a number of areas, such as:

- Risk management related to water availability
- Need for accurate and current data
- Impacts of inequitable water pricing
- Barriers to reducing large water losses
- Effects of board composition on governance

#### **Address the overselling water from the Highland Lakes through Water Management Plan revisions**

The Water Management Plan is the product of a highly technical process requiring significant legal, regulatory and hydrology support. CTWC will represent lake interests in the upcoming update of the LCRA Water Management Plan.

Out of concern about the overselling of water in the Highland Lakes and the need to diversify the water supply, CTWC commissioned an independent hydrology study to assess whether there are sufficient supplies in the Highland Lakes to meet the projected demands of Firm customers, which in turn informs whether Interruptible customers' water needs can be met. This study shows that the release of water to Interruptible customers reduces the amount available for Firm customers.

Once the Water Management Plan is revised to reflect the current hydrology and population growth estimates, the cushion – or drought reserve – is likely to be significantly reduced and insufficient. CTWC's key focus areas include:

- Advocating for update of Firm Yield and hydrology from Highland Lakes to reflect 2008-2016 Drought of Record conditions
- Ensuring projected Firm Yield from all reservoirs uses accurate and current data
- Ensuring projected Firm Demands adequately reflect Central Texas growth trends

#### **Establish reasonable operating levels for Travis and Buchanan reservoirs**

CTWC will continue efforts to highlight fire risks, risks to the drinking water supply and adverse economic impacts that result from very low lake levels. Although Buchanan and Travis reservoirs will necessarily fluctuate, a minimum level that protects levels during sustained drought conditions needs to be established.

#### **Significantly improve conservation and efficiencies of water usage and conveyance losses**

CTWC will encourage conservation by:

- Advocating for establishment of good metrics and water-use standards for all water users
- Advocating for a good water-demand basis and improvement plans for irrigation and associated losses in the Region K Water Plan

guard down just because the lakes are full. The coalition is working to protect the sustainability of our water supply and local economy."

**JANET CAYLOR**

*Lake Travis*

"The coalition has done more to prevent the lakes from being drained again than any other group, business or person. I'm contributing to the coalition and asking my neighbors to do the same."

**JOHN WILLIAMS**

*Lake Buchanan*

"My business relies on there being water in the lakes. Financially supporting the CTWC's efforts to keep the lakes from being emptied is a smart investment for anyone whose livelihood depends on a vibrant lake economy."

**PETE CLARK**

*Lake Travis*

"We have to preserve the progress made to prevent the catastrophe that happened in 2011."

**KEN MILAM**

*Lake Buchanan*

## CTWC's Major Successes in Protecting the Lakes

CTWC is committed to working collaboratively with Lower Colorado River Authority, Region K, Texas Water Development Board, Texas Commission on Environmental Quality and other stakeholders to focus on education, hydrology, climatology and conservation of our limited water supplies. With that guidepost we:

- Worked with other stakeholders to secure adoption of the LCRA's updated 2015 Water Management Plan
- Were instrumental in securing protective Emergency Orders that prevented additional releases of stored water from 2012-2015
- Successfully resisted LCRA efforts to remove itself from the Sunset Review Process beginning in 2018 (recent legislation required River Authorities to undergo Sunset)
- Improved transparency in water planning. Legislation passed to make all Regional Water Planning Group Meetings, including Committee Meetings, open to the Public
- Improved integration and communication across Regions and establishment of better processes for implementation of improvement projects and better metrics to track water planning and use in high use areas. Legislation passed that implements CTWC's suggested improvements to the Texas Water Development Board (TWDB) in State Water Planning Processes.
- Quantified the economic impact of low lake levels.
- Identified the drying trend and highlighted the importance of reduced inflows.
- Hosted 2016 Texas Senate Candidate Forum and ensured CTWC's voice is heard by participating in public forums, including Texas Water Roundtable and Water Grand Challenges
- Worked to stop the proposal to build a dam across the Colorado River upstream of Lake Buchanan
- Encourage qualified applicants to apply to serve on the LCRA board
- Have board members who serve as members of the Region K Water Planning Group

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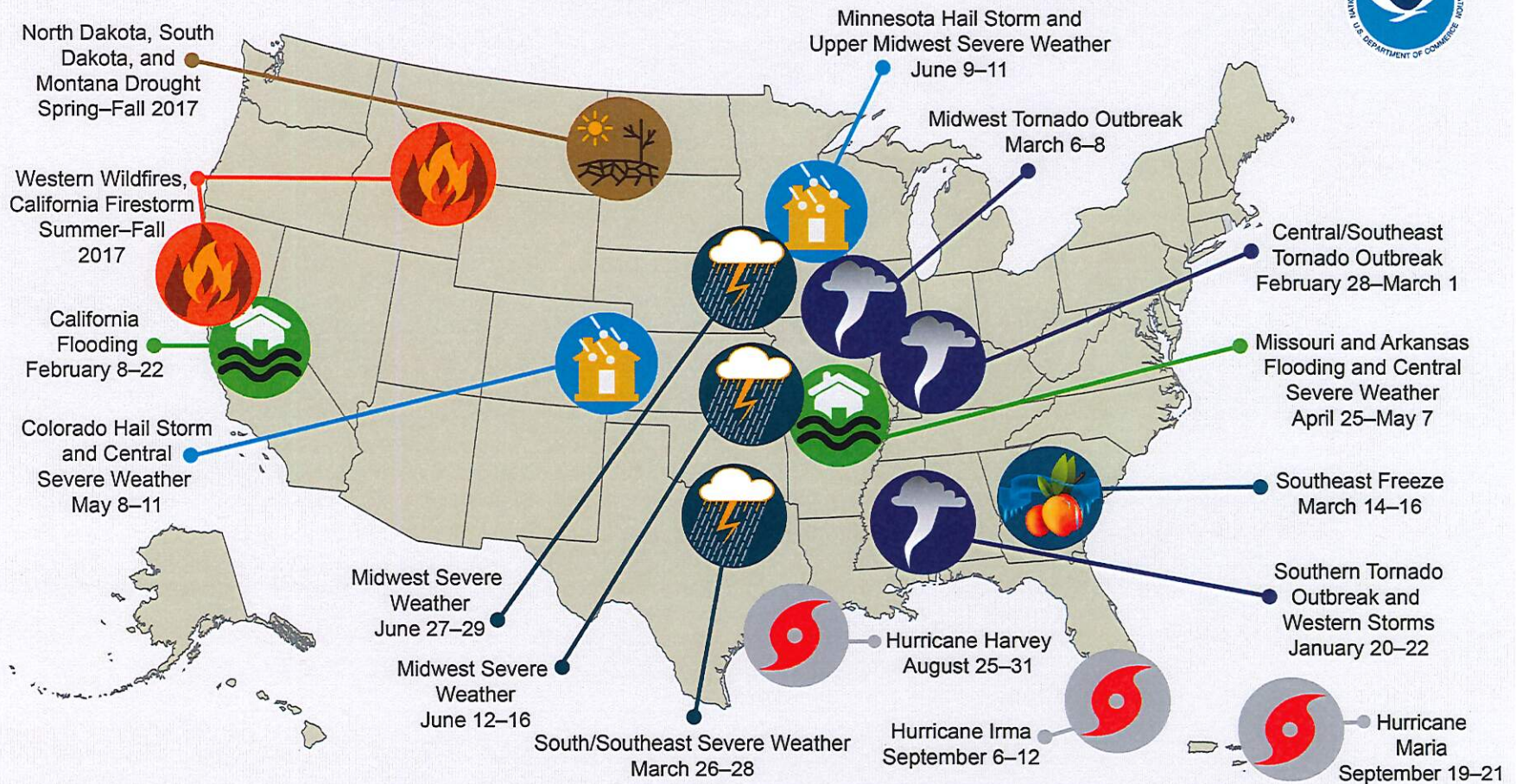
**INTRALTEXAS**

**WATER COALITION**



# WEATHER EXTREMES

## U.S. 2017 Billion-Dollar Weather and Climate Disasters



*This map denotes the approximate location for each of the 16 billion-dollar weather and climate disasters that impacted the United States during 2017.*

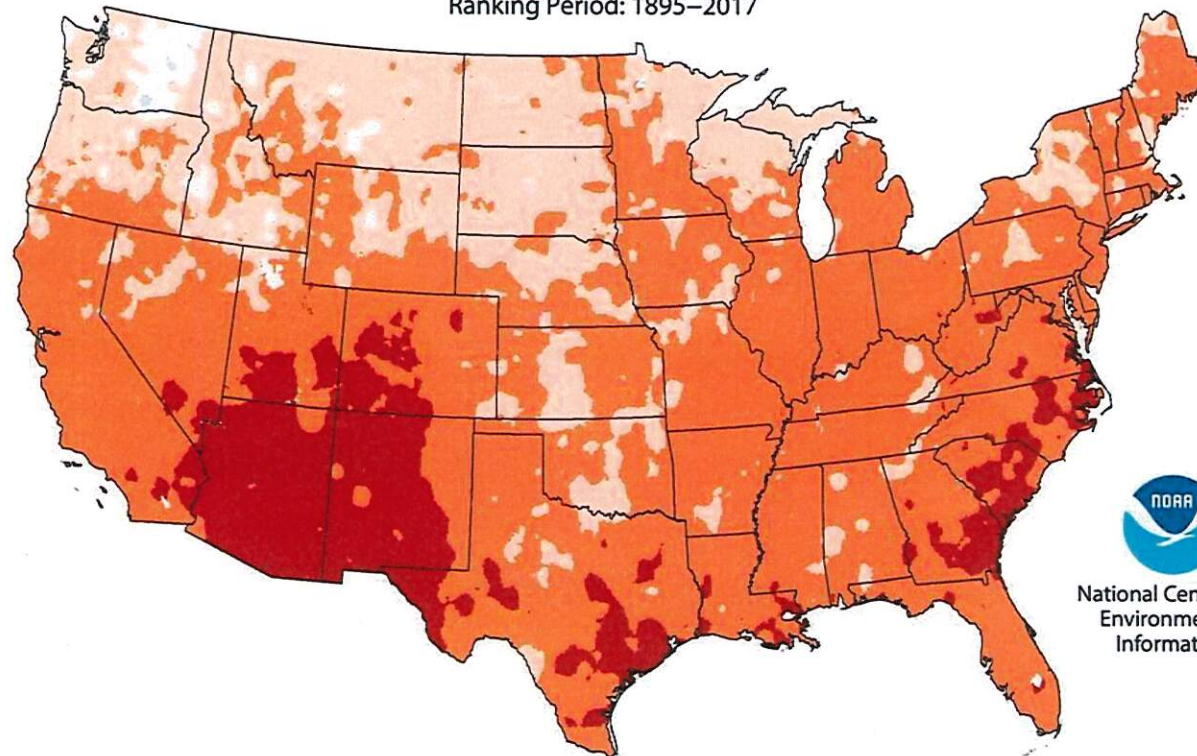


# WEATHER EXTREMES

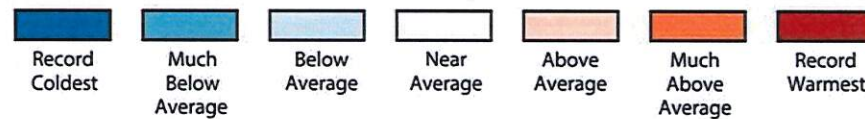
## Mean Temperature Percentiles

January–December 2017

Ranking Period: 1895–2017



National Centers for  
Environmental  
Information



Created: Thu Jan 04 2018

Data Source: 5km Gridded Dataset (nClimGrid)

## INTERLOCAL COOPERATION AGREEMENT

This INTERLOCAL COOPERATION AGREEMENT ("Agreement") is executed by and between CENTRAL TEXAS WATER COALITION, INC., PO Box 328, Spicewood, Texas 78669, hereinafter referred to as "CTWC," and the CITY OF LAKEWAY, Texas, a home rule municipal Corporation, organized under the laws of the State of Texas, hereinafter referred to as the "City," acting by and through their duly authorized representatives.

WHEREAS, the City of Lakeway is a Local Government as defined in 791.003 of the Texas Government Cede, and

WHEREAS, CTWC is a non-profit 501(C)4 political subdivision of the State of Texas, with goals that directly assist the City of Lakeway regarding the economic impact of Lake Buchanan and Lake Travis, and

WHEREAS, both CTWC and the City of Lakeway desire to enter into an Interlocal Cooperation Agreement, pursuant to the Interlocal Cooperation Act, Chapter 791, Texas Government Code;

NOW, THEREFORE, for and in consideration of the covenants, conditions, and undertakings hereinafter described, and the benefits to accrue to the citizens of the City, the parties' contract, covenant and agree to provide certain governmental services and functions as follows:

Section 1. Program Funding Assistance. The City agrees to provide program funding assistance to CTWC in an amount not to exceed \$5000.00 for the term of this Agreement.

Section 2. Objective. CTWC agrees to use the funds in a manner that will directly advance and promote the City's economic and public safety interest in matters directly relating to the sale and use of water from lakes Travis and Buchanan.

Section 3. Conflict of Interests. CTWC covenants and agrees that it presently has no interest and will not acquire an interest, direct or indirect, which conflicts with its efficient, diligent, and faithful performance of the terms of this agreement.

Section 4. Assignment. This agreement shall not be assigned or transferred by CTWC without prior written consent of the City.

Section 5. Agreement Period. This Agreement shall commence on approval by both parties, and shall continue in effect for one year unless terminated in writing by the City or CTWC.

Section 6. Amendments and Modifications. This Agreement may not be amended or modified except in writing executed by the City and the CTWC and authorized by both parties.

Section 7. Captions. The descriptive captions of this Agreement are for informational purposes only and shall in no way limit or effect the terms or conditions of the paragraphs.

Section 8. Severability. The sections, paragraphs, clauses, and phrases of this Agreement are severable and, if any phrase, clause, sentence, paragraph, or section of this Agreement should be declared invalid by the final judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, or paragraphs, and sections of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized agents and officers.

SIGNED AND APPROVED this the \_\_\_\_ day of \_\_\_\_\_ 2018.

City of Lakeway by:

CTWC by:

\_\_\_\_\_  
Joe D. Bain, Mayor

\_\_\_\_\_  
*Jo Karr Tedder*  
Jo Karr Tedder, President

Attest:

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

Item # 6

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# **Council Meeting Update**

**March 19, 2018**





## Lakeway Police Facility

Image # 02  
Date : 03.05.2018  
Photo 888.542.0231



# Progress Update

- Foundation





# Progress Update

- Building Progress





# Progress Update

- Site Progress



Item # 7

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## Staff Report

**Meeting date:** March 19, 2018

**Agenda item:** #7 – to consider a request from Edward and Ester Trevino the owners of the property located at 1009 Ranch Road 620 for a Special Use Permit to operate a warehouse / privately owned garage units to be known as Garages of Texas

### Background Information

The location of the subject property is a little deceiving. The address of the proposed development will be 1009 Ranch Road 620 however the majority of the property is located 376' to east of Ranch Road 620 and fronts Oreilly Drive. Legally the property is described as being Lot 36, Lot 9 and Lot 10 of Cardinal Hills Estates Unit 11 and is a total of 8.054 acres. As shown on the attached aerial, Lot 36 is a long narrow lot that will provide access back to the two larger lots that make up the entire property under this proposal.

The applicants are proposing a unique land use that is not easily defined by many municipal land use regulations. The best definition or what it would look like from the outside is storage / warehouse units. However, the proposed use will be privately-owned, luxury garage suites that are marketed to car collectors and car enthusiasts.



Once a unit is purchased, the garage units are customized by the owners complete with the basic services such as plumbing, climate control, cable, internet and can be equipped with improvements such as lofts, auto lifts and gathering areas. Similar development by Garages of Texas have been built in Plano (Willow Bend), Dallas (Lakeview), Allen, Carrollton, Roanoke, and Frisco. In addition to the proposed Lakeway location, Garages of Texas is also planning projects in Houston, San Antonio, and Austin. Each location is designed and operates based on the same key attributes of convenient

location, quality materials, functional layout, modern amenities, high security, and low maintenance.



**Staff Analysis**

The proposed property is currently zoned as C-1 (Office/Retail) and is surrounded by a mix of commercial developments. Other developments in the area consist of restaurant, self-storage, auto repair, carwash and limited retail. This would be a very compatible use to the existing uses in the area however under the C-1 zoning district it will require a special use permit to allow for the use to operate at this location. The proposed use would be a good utilization of this property and would have minimal impact on traffic. The attached site plan shows two phases that would provide a total building area of 86,750 square feet, a total of 78 individual units, and 97 off street parking spaces. There is not a good match within the Code of Ordinances for this type of use and a parking requirement. Having seen similar developments and which generally have low traffic volumes, the need for parking will be low. Staff agrees with the off street parking that is being provided.

**Reference**

Section 30.03.000(c)(d) of the Lakeway Municipal Code establishes the need for a Special Use Permit. These permit requires a recommendation of approval from ZAPCO.

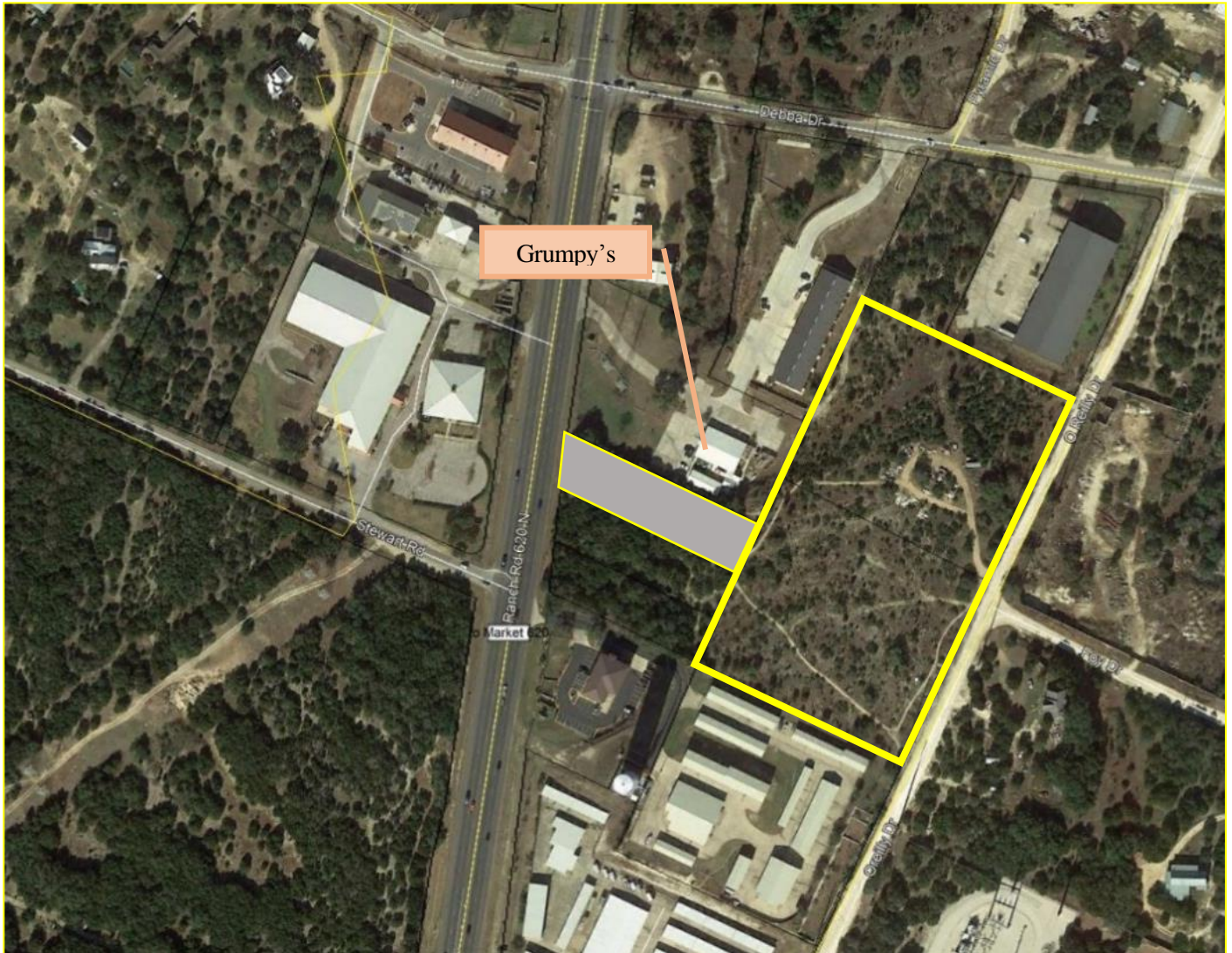
**Fiscal Impact:** STR permit review, safety inspection, code enforcement & emergency services.

**Recommendation:** The Zoning and Planning Commission reviewed the request at the March 7, 2018 meeting and recommended approval. Staff recommends approval of a request from Edward and Ester Trevino the owners of the property located at 1009 Ranch Road 620 for a Special Use Permit to operate a warehouse / privately owned garage units to be known as Garages of Texas.

**Enclosure(s):** Draft Ordinance  
Maps  
Exhibits

## Aerial Location Map

(The yellow outlines show the entire property. The shaded in portion is Lot 36 which will provide the only point of public access)



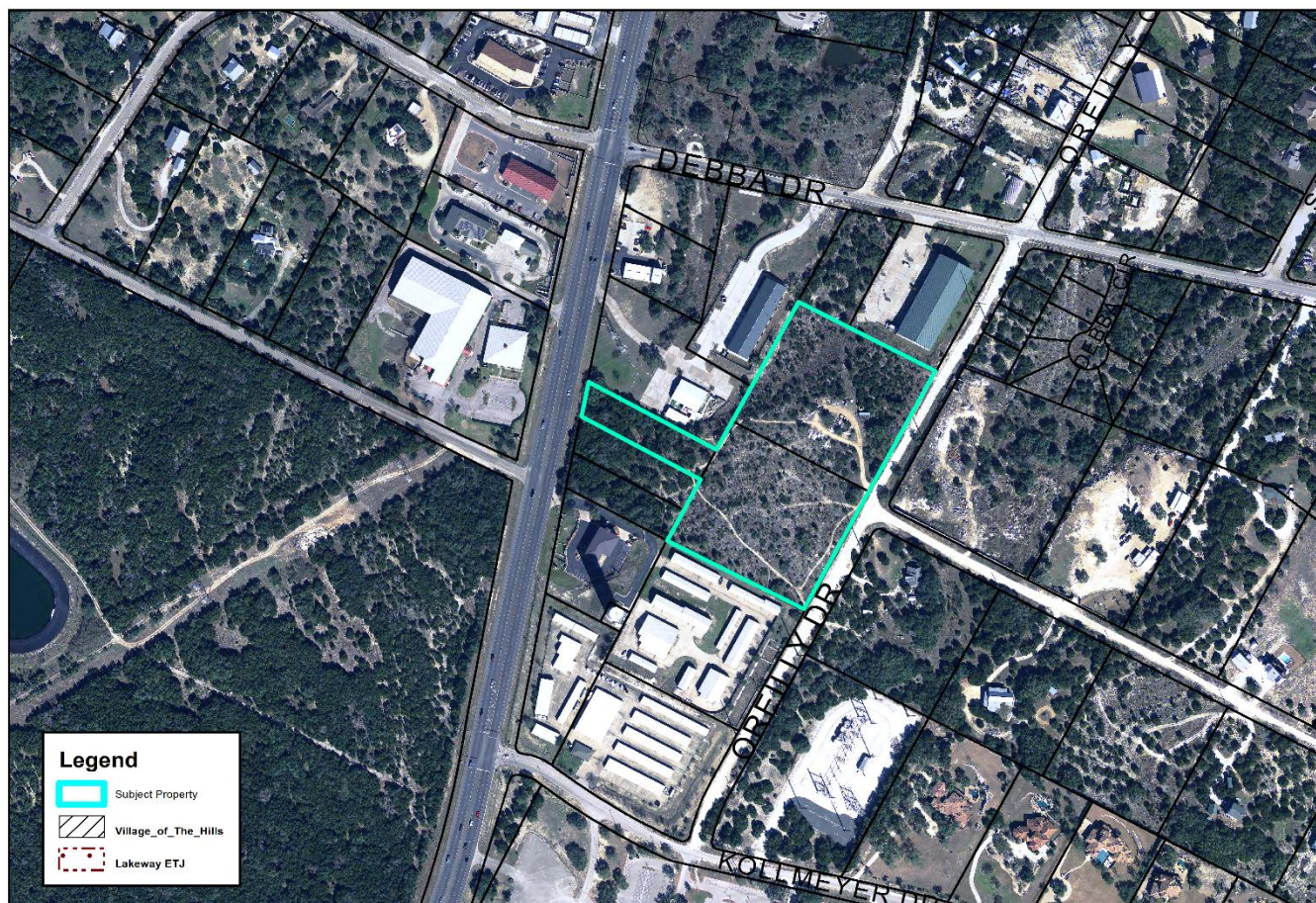


"This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the ground survey and represents only the approximate relative location of property boundaries."



## CITY OF LAKEWAY

1009 RR 620 N



**SPECIAL USE PERMIT: SPECIAL USE PERMIT TO OPERATE A WAREHOUSE /  
STORAGE UNITS AT 1009 RANCH ROAD 620**

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF A SPECIAL USE PERMIT TO OPERATE A WAREHOUSE / STORAGE / PRIVATELY OWNED GARAGE UNITS TO BE KNOWN AS GARAGES OF TEXAS AT CERTAIN PARCELS LOCATED AT 1009 RANCH ROAD 620; AND PROVIDING FOR: FINDINGS OF FACT; SEVERABILITY; REPEALER; EFFECTIVE DATE; AND PROPER NOTICE AND MEETING.**

WHEREAS, the City Council of the City of Lakeway, Travis County, Texas (“the City”) seeks to provide for the public health, safety and welfare of its citizens; and

WHEREAS, Edward and Ester Trevino (“the owners”) of the property located at 1009 Ranch Road 620 (“the property”), more particularly described as Lot 36, Lot 9 and Lot 10 of Cardinal Hills Estates Unit II; and

WHEREAS, the owner desires to operate a warehouse / storage / privately owned garage units at 1009 Ranch Road 620;

WHEREAS, the Zoning and Planning Commission held discussion and invited public comment on the proposed use in a public hearing held March 7, 2018; and

WHEREAS, the City Council held discussion and invited public comment on the proposed use in a public hearing held March 19, 2018; and

WHEREAS, the City Council finds that it is in the best interest of the welfare of the citizens of Lakeway, Texas, and consistent with the City of Lakeway Comprehensive Plan to approve the requested special use permit;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LAKEWAY, TEXAS:

**Article 1. Findings of Fact**

All of the above premises are hereby found to be true and correct legislative and factual findings of the City Council and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

## **Article 2. General**

### **Section 2.01 Authority**

This ordinance is adopted under the authority of the Constitution and laws of the State of Texas, particularly Chapter 211 of the Local Government Code.

### **Section 2.02 Purpose**

The purpose of this ordinance is to authorize the issuance of a Special Use Permit to operate warehouse / storage / privately owned garage units located at 1009 Ranch Road 620.

## **Article 3. Zoning**

Issuance of a Special Use Permit, as described herein, is hereby authorized under the following conditions:

1. All representations, whether oral or written, made by the applicant(s) or his agent(s) in support of a Special Use Permit are conditions upon which this permit is issued, provided they do not conflict with other conditions imposed by this permit.
2. The Special Use Permit is issued under the conditions set out in Article Section 30.03.000(c)(d) of the City of Lakeway Code of Ordinances, as amended.

## **Article 4. Severability**

Should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjusted or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance in whole or any part or provision thereof, other than the part so declared to be invalid, illegal or unconstitutional.

## **Article 5. Repealer**

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein; provided, however, that all prior ordinances or parts of ordinances inconsistent or in conflict with any of the provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.

## **Article 6. Effective Date**

This ordinance shall take effect immediately from and after its passage and publication as may be required by law.

### **Article 7. Proper Notice and Meeting**

It is hereby officially found and determined that the meeting at which this ordinance was passed was open to the public as required and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code. Notice was also provided as required by Chapter 52 of the Texas Government Code.

PASSED AND APPROVED this the 19th day of March, 2018.

**CITY OF LAKEWAY:**

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Joe D. Bain, Jr., Mayor

**ATTEST:**

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Jo Ann Touchstone, City Secretary



Building & Development Services  
1102 Lohmans Crossing, Lakeway, TX 78734  
Phone: (512) 314-7540 Fax: (512) 314-7541  
[www.lakeway-tx.gov](http://www.lakeway-tx.gov)

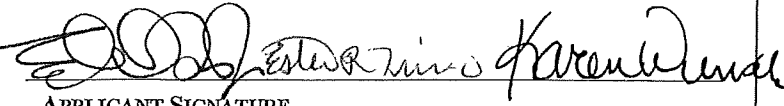
## APPLICATION FOR SPECIAL USE PERMIT

(INCLUDE NECESSARY SUPPORTING MATERIAL)

<b>ADDRESS OF PROPERTY:</b> 1009 N. FM 620			<b>ACREAGE OF SITE:</b> 8.06 acres	
<b>LEGAL DESCRIPTION (SUBDIVISION, SECTION, LOT NUMBER):</b> Lots 9, 10, and 36 of Cardinal Hills Estates, Unit 11			<b>CURRENT ZONING:</b> C-1 (Office/Retail)	
<b>PROPERTY OWNER FIRM:</b> Trevino, Edward V. and Ester R.	<b>CONTACT NAME:</b> Jennie Braasch	<b>TELEPHONE:</b> 512-694-9400	<b>E-MAIL:</b> jb@pohlpartners.com	
<b>MAILING ADDRESS:</b> 10800 Pecan Park, Suite 125		<b>CITY:</b> Austin	<b>STATE:</b> TX	<b>ZIP CODE:</b> 78750
<b>APPLICANT FIRM:</b> Masterplan	<b>CONTACT NAME:</b> Karen Wunsch	<b>TELEPHONE:</b> 512-202-5542	<b>E-MAIL:</b> karen@masterplanconsultants.com	
<b>MAILING ADDRESS:</b> 6500 River Place Blvd., Bldg. 7, Suite 250		<b>CITY:</b> Austin	<b>STATE:</b> TX	<b>ZIP CODE:</b> 78730
<b>PROJECT NAME FOR WHICH SPECIAL USE PERMIT IS SOUGHT:</b> Garages of Texas			<b>REQUESTED DURATION:</b> Unlimited	
<b>PROPOSED USE OF PROPERTY FOR WHICH SPECIAL USE PERMIT IS SOUGHT:</b> Privately-owned Luxury Garage Suites				

### SUBMITTAL VERIFICATION/INSPECTION AUTHORIZATION:

As the applicant named above, my signature attests to the fact that the attached application package is complete and accurate to the best of my knowledge. I understand that City Staff review is dependent upon the accuracy of the information provided and that any inaccurate or inadequate information provided may delay the review of this application. I further understand that **plans submitted without an engineer's and/or surveyor's seal will not be accepted for review and that City Staff review time may take up to four weeks per review.** In addition, as the owner or authorized agent, my signature authorizes the City Staff or their representatives to visit and inspect the property for which this application is being submitted.

  
APPLICANT SIGNATURE

Edward V. Trevino (Owner) Ester R. Trevino (Owner) Karen Wunsch (Masterplan)

PRINTED NAME

DATE

February 6, 2017

(FOR CITY USE ONLY)

PERMIT NUMBER:

1800089

AMOUNT RECEIVED:

NOTES:





- The Specific Use Permit is tied to the property and transfers with the land title to the individual property owners.
- A parking ratio of one (1) exterior parking space per unit is proposed in addition to the abundance of interior parking provided within each unit. Most of the exterior parking spaces will be unmarked and located in front of the units, outside of the fire lane, and additional marked spaces will be provided near the community room.
- Garages of Texas developments provide improvements that significantly increase the property value, but the impact on water, wastewater, electric, and transportation utilities is minimal.

Thank you for your assistance with this project. If you have any questions or want to discuss this information in more detail, please contact me at [karen@masterplanconsultants.com](mailto:karen@masterplanconsultants.com) or 512-202-5542.

Sincerely,

A handwritten signature in black ink that reads "Karen Wunsch". The signature is written in a cursive, flowing style.

Karen Wunsch, AICP

[illegible]

T-107-6



LAKEWAY, TEXAS





February 7, 2018

Mr. Ray Miller, AICP  
Building & Development Services  
1102 Lohmans Crossing  
Lakeway, TX 78734

**Subject: Letter of Intent for Garages of Texas Specific Use Permit Application**

Dear Mr. Miller:

I am pleased to submit this application for the proposed Garages of Texas development. As discussed during our meeting on July 6, 2017, Garages of Texas is a unique land use that is not defined within many municipal land use charts, including the City of Lakeway Zoning Ordinance.

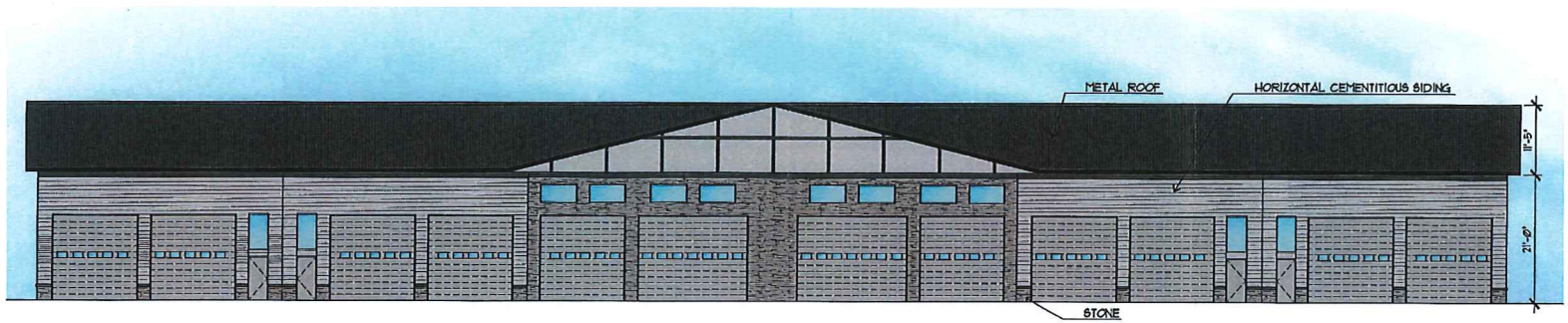
The proposed use is a community of privately-owned, luxury garage suites that are marketed specifically to high-end car collectors and enthusiasts. Once purchased, the garage suites are customized by the owner into personal "man caves" complete with the basics such as plumbing, climate controls, phone, cable, and internet, as well luxury improvements such as lofts, auto lifts, and conversation and gathering areas with high-end finishes.

The Garages of Texas brand has been met with great enthusiasm within communities of the Dallas-Fort Worth Metroplex. Existing locations include Plano (Willow Bend), Dallas (Lakeview), Allen, Carrollton, Roanoke, and Frisco. In addition to the Lakeway location, projects are also planned for Houston, San Antonio, and Austin. Each location is designed and operates based on the same key attributes of convenient location, quality materials, functional layout, modern amenities, high security, and low maintenance.

Project Description:

- Garage units are sold, and owners receive the warranty deed.
- Owners customize their garages to fit their tastes and needs, often investing more on the finish-out than the unit.
- A mandatory property owner's association is established for community maintenance costs.
- Communities are gated for security and include fire sprinkler systems, security cameras, and outdoor lighting.
- Owners are provided 24-hour access.





Item # 9

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**Jo Ann Touchstone, City Secretary**

**Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** **Approve Ordinance:** Repealing Chapter 1, Article 1.02, Section 1.02.002, of the Lakeway Code of Ordinances; designating the location of the polling place in the election precinct established for municipal elections.

**Background:** Chapter 1, Article 1.02, Section 1.02.002 of the city code specifies the polling location for municipal elections to be "...the city hall, located at 1204 Lakeway Drive..." The city maintains a Joint Election Agreement with Travis County, which includes multiple polling locations in the city. These locations are subject to change. The city code should not be restrictive of polling locations and therefore this section should be updated and polling locations should be determined through the Joint Election Agreement.

**Fiscal Impact:** None.

**Recommendation:** Staff recommends approving the ordinance as drafted.

**Suggested Motion:** I move to approve Ordinance No. 2018- 03-19-XX repealing Chapter 1, Article 1.02, Section 1.02.002, of the Lakeway Code of Ordinances

**Enclosure(s):** Draft Ordinance No. 2018-03-19-XX



## CITY OF LAKEWAY

AMENDMENT No. \_\_\_\_\_

**ELECTIONS**

AN ORDINANCE REPEALING CHAPTER 1, ARTICLE 1.02, SECTION 1.02.002 OF THE LAKEWAY CODE OF ORDINANCES; DESIGNATING THE LOCATION OF THE POLLING PLACE IN THE ELECTION PRECINCT ESTABLISHED FOR MUNICIPAL ELECTIONS AND PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT; ENACTMENT; REPEALER; SEVERABILITY; EFFECTIVE DATE; CODIFICATION; PROPER NOTICE & HEARING;

**WHEREAS,** pursuant to Election Code Section 43.004 the City Council of the City of Lakeway ("City Council") is required to designate the location of the polling place for each of its election precincts; and

**WHEREAS,** pursuant to Election Code Section 271.002, the City of Lakeway entered into an agreement dated October 21, 2014 for joint election services with Travis County which designates polling locations at Travis County early voting locations and election day locations; and

**WHEREAS,** pursuant to Texas Local Government Code, Section 51.001, the City has general authority to repeal an ordinance or police regulation that is for the good government, peace or order of the City and is necessary or proper for carrying out a power granted by law to the City; and

**WHEREAS,** pursuant to Texas Local Government Code, Section 51.071, the City has full power of local self-government, and may exercise the authority incident to local self-government; and

**WHEREAS,** pursuant to Lakeway's Home Rule Charter, Article 2, Section 2.01, the City has general authority to pass and enforce an ordinance, and exercise all municipal powers, functions, rights, privileges and immunities not prohibited by state or federal law; and

**WHEREAS,** pursuant to Lakeway's Home Rule Charter, Article 5, Section 5.01, all City elections shall be held in accordance with the Constitution and laws of the State of Texas, and with this Charter, and the ordinances, resolutions and orders adopted by the Council for the conduct of elections.; and

**WHEREAS,** the City Council finds ~~that the requirements of the attached this~~ amendment to ~~this Ordinance are~~ reasonable, necessary, and proper for the good government of the City of Lakeway.

**NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Lakeway:**

**1. FINDINGS OF FACT**

The foregoing recitals are incorporated into this Ordinance by reference as findings of fact as if expressly set forth herein.

**2. ENACTMENT**

Chapter 1, Article 1.02, Section 1.02.002 of the City of Lakeway Code of Ordinances is hereby repealed.

**3. REPEALER**

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

**4. SEVERABILITY**

Should any of the clauses, sentences, paragraphs, sections or parts of this Ordinance be deemed invalid, unconstitutional, or unenforceable by a court of law or administrative agency with jurisdiction over the matter, such action shall not be construed to affect any other valid portion of this Ordinance.

**5. CODIFICATION**

The City Secretary is hereby directed to record the attached amended and new rules, regulations and policies in the City's Code of Ordinances as authorized by Section 52.013 of the Texas Local Government Code.

**6. EFFECTIVE DATE**

This Ordinance shall be effective immediately upon passage and publication in accordance with state law, and Section 3.17 of the Home Rule Charter.

## 7. PROPER NOTICE & MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice was also provided as required by Chapter 52 of the Texas Local Government Code.

**PASSED & APPROVED this, the \_\_\_\_ day of \_\_\_\_ 2018, by a vote of \_\_ (ayes) to \_\_ (nays) to \_\_ (abstentions) of the City Council of Lakeway, Texas.**

**CITY OF LAKEWAY:**

by: \_\_\_\_\_  
Joe Bain, Mayor

**ATTEST:**

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary



Item # 10

[Return to Agenda](#)



**Julie Oakley, CPA**  
**Assistant City Manager**

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### **Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** Ordinance repealing the creation of a Comprehensive Plan Committee as defined in Division 2 under Section 2.03

**Background:** As City staff began the process of updating the city's comprehensive plan, it was discovered that there was an ordinance adopted in 1996 creating a Comprehensive Plan Committee. City staff recommends repealing the ordinance in its entirety and instead allowing for the creation of a Comprehensive Plan Committee by resolution for a specific time period therefore resolving the need to continually amend the city code.

**Fiscal Impact:** Approval of this policy will have no fiscal impact.

**Recommendation:** Staff recommends approval.

**Enclosure(s):** Ordinance No. 2018-03-19-XX

**CITY OF LAKEWAY  
ORDINANCE NO. 2018-03-19-XX**

**AN ORDINANCE OF THE CITY OF LAKEWAY, TEXAS, REPEALING THE CREATION OF A COMPREHENSIVE PLAN COMMITTEE AS DEFINED IN DIVISION 2 UNDER SECTION 2.03 OF THE CITY'S CODE OF ORDINANCES AND PROVIDING FOR PROVISIONS FOR APPROVAL OF A COMPREHENSIVE PLAN COMMITTEE BY RESOLUTION INSTEAD; PROVIDING FOR A REPEALER; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

**WHEREAS,** the City of Lakeway is a home-rule municipality that, under Section 2.04 of the City Charter, has full power and authority to zone the City and to pass all necessary ordinances, rules and regulations governing the same pursuant to and in accordance with the laws of the State of Texas; and

**WHEREAS,** the City Council ("Council") of the City of Lakeway created Division 2 under Section 2.03 within its City Code of Ordinances, creating a Comprehensive Plan Committee; and

**WHEREAS,** the City Council desires to repeal the ordinance and instead allow for the creation of a Comprehensive Plan Committee for a specific time period for a specific project, passed by Resolution, when the need arises; and

**WHEREAS,** pursuant to Texas State law and Article II of the City Charter, the City has general authority to adopt an ordinance that is for the good government, peace or order of the City and is necessary or proper for carrying out a power granted to it by law; and

**WHEREAS,** the Council finds the repeal of the creation of the Comprehensive Plan Committee imposed by this Ordinance is reasonable, necessary, and proper for the good governance of the City.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAKEWAY, TEXAS, THAT:**

**SECTION 1.** The entirety of Article 2.03, Division 2 Comprehensive Plan Committee of the City of Lakeway's Code of Ordinances is struck through and repealed.

**SECTION 2.** The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

**SECTION 3.** All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such



conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters ordained herein.

**SECTION 4.** This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**SECTION 5.** If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and this Council hereby declares that this Ordinance would have been enacted without such invalid provision.

**SECTION 6.** It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

**SECTION 7.** This Ordinance shall be in force and effect from and after the date of its adoption, and it is so ordained.

**PASSED AND APPROVED this the \_\_\_\_ day of \_\_\_\_\_, 2018.**

CITY OF LAKEWAY, TEXAS

\_\_\_\_\_  
Joe D. Bain, Jr., Mayor

ATTEST:

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

Item # 11

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**Julie Oakley, CPA**  
**Assistant City Manager**

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### **Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** Resolution approving the creation of the Comprehensive Plan Steering Committee

**Background:** The resolution proposed officially creates the formation of the Comprehensive Plan Steering Committee. The purpose of the steering committee will be to work with city staff and a consultant on an update to the Comprehensive Plan. The steering committee will recommend a consultant to City Council through an RFP process to assist the committee and staff; work with the consultant and City staff to articulate the common goals that will guide the City in the future; communicate the comprehensive planning process through public outreach events and through verbal and written communications; assist the consultant and City staff with the data collection process; and, make a recommendation to City Council for final plan adoption.

The resolution also includes the framework of the make-up of the committee. Included in the committee is the Mayor and one councilmember, two Zoning and Planning Commission members, and three residents of the City. All members shall be appointed by a future resolution of City Council.

**Fiscal Impact:** Approval of this resolution will have no fiscal impact.

**Recommendation:** Staff recommends approval.

**Enclosure(s):** Resolution No. 2018-03-19-XX



**CITY OF LAKEWAY  
RESOLUTION NO. 2018-03-19-XX**

**A RESOLUTION OF THE CITY OF LAKEWAY, TEXAS  
APPROVING THE CREATION OF THE  
COMPREHENSIVE PLAN ADVISORY COMMITTEE**

WHEREAS, Texas Local Government Code, Section 213.002 authorizes municipalities to adopt a comprehensive plan for the long-range development of the municipality; and

WHEREAS, the City of Lakeway is undertaking a process to update its Comprehensive Plan; and

WHEREAS, community outreach and public involvement will be an important part of the process; and

WHEREAS, the comprehensive plan is not a permanent document, and will be changed and amended from time to time.

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

1. A Comprehensive Plan Steering Committee is hereby created.
2. The Comprehensive Plan Steering Committee shall:
  - a) Recommend a consultant to City Council through an RFP process to assist the committee and staff;
  - b) Work with the consultant and City staff to articulate the common goals that will guide the City of Lakeway in the future;
  - c) Communicate the comprehensive planning process through public outreach events and through verbal and written communications to the public;
  - d) Assist the consultant and City staff with the data collection process; and
  - e) Make a recommendation to City Council for plan adoption.
3. The Comprehensive Plan Steering Committee shall consist of the Mayor and one councilmember, two Zoning and Planning Commission members, and three residents of the City of Lakeway. All members shall be appointed by resolution of the City Council.
4. The Comprehensive Plan Steering Committee shall be dissolved upon the adoption of the updated plan by City Council.
5. The foregoing recitals are incorporated into this Resolution by reference as findings of fact as if expressly set forth herein.
6. All provisions of any Resolution of the City of Lakeway in conflict with the provisions of this Resolution are hereby repealed. All other provisions of any Resolution of the

City of Lakeway not in conflict with this Resolution shall remain in full force and effect.

7. This resolution shall become effective from and after its passage.
8. The meeting at which this Resolution was passed was open to the public, and public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551.

**PASSED & APPROVED** this, the \_\_\_\_ day of \_\_\_\_\_, 2018, by the City Council of Lakeway, Texas.

**CITY OF LAKEWAY:**

by: \_\_\_\_\_  
Joe D. Bain, Jr., Mayor

**ATTEST:**

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

Item # 14

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**THE CITY OF LAKEWAY CITY COUNCIL MEETING**  
**Action Minutes of Regular Session**  
**Monday, January 29, 2018 at 6:30 p.m.**  
**Lakeway City Hall, 1102 Lohmans Crossing Road, Lakeway, Texas**

**AGENDA**

- 1. Establish Quorum and Call to Order.** - Present: Mayor Joe Bain, Mayor Pro Tem Massa, Councilmember Bertram, Councilmember Haley, Councilmember Hennagin, Councilmember Powell and Councilmember Trecker.
- 2. Pledge of Allegiance.**
- 3. Financial Report.**
  - Staff report by Assistant City Manager Julie Oakley.
- 4. Update on Police Facility Project.**
  - Staff report by City Manager Steve Jones.
- 5. Update on City of Lakeway Comprehensive Plan.**
  - Staff report by City Manager Steve Jones.
- 6. Special Use Permit – Short Term Rental:** Consider a request from John and Shuwen Reger, the owner of the property located at 219 Corinthian (Lakeway Section 2, Lot 250) for renewal of a Special Use Permit to allow for a short-term rental use to continue at this location.
  - Staff report by Building and Development Services Director Ray Miller.
  - Citizen participation – Joh and Shuwen Reger spoke. Bob Rivet spoke.
  - Council discussion/action – Councilmember Trecker moved to accept the recommendation from the Zoning and Planning Commission to deny the request for a special use permit to operate a short-term rental at 219 Corinthian. Councilmember Haley seconded and the motion passed unanimously.
- 7. Resolution:** Approve a resolution supporting the Texas Department of Transportation's design and construction plans for improvements to RM 620 in the Lakeway Area.
  - Staff report by City Manager Steve Jones.
  - Citizen participation – No one spoke.
  - Council discussion/action – Mayor ProTem Massa moved to approve the resolution. Councilmember Haley seconded and the motion passed unanimously.
- 8. May 5, 2018 General Election.** Consider approving Ordinance 2018-01-16-02 calling a General Election in the City of Lakeway on May 5, 2018, for the purpose of electing the

mayor and two (2) Councilmembers, and authorizing the Mayor to issue a Notice of Election.

- Staff report by City Secretary Jo Ann Touchstone.
- Citizen participation – No one spoke.
- Council discussion/action - Mayor ProTem Massa moved to approve the ordinance. Councilmember Powell seconded and the motion passed unanimously.

***5 de mayo de 2018 Elección General.*** Considerar la aprobación de la Ordenanza 2018-01-16-02 para convocar una Elección General en la Ciudad de Lakeway para el 5 de mayo de 2018, con el propósito de elegir al Alcalde y a dos (2) Concejales, y autorizar al Alcalde a emitir un Aviso de Elección.

- *Informe del personal por la Secretaria Municipal Jo Ann Touchstone.*
- *Participación de los ciudadanos*
- *Medidas tomadas por el Concejo*

9. **May 5, 2018 Special Election.** Consider approving Ordinance 2018-01-16-03 calling a Special Election in the City of Lakeway on May 5, 2018, for the purpose of submitting to the voters proposed amendments to the Charter of the City of Lakeway, and authorizing the Mayor to issue a Notice of Election.

- Staff report by City Manager Steve Jones.
- Citizen participation – No one spoke.
- Council discussion/action – Councilmember Hennagin moved to approve the ordinance with the exception of 7.01 and 7.07. Mayor ProTem Massa seconded and the motion passed unanimously.

***5 de mayo de 2018 Elección Especial.*** Considerar la aprobación de la Ordenanza 2018-01-16-03 para convocar una Elección Especial en la Ciudad de Lakeway para el 5 de mayo de 2018, con el propósito de presentarles enmiendas propuestas a los Estatutos de la Ciudad de Lakeway a los votantes, y autorizar al Alcalde a emitir un Aviso de Elección.

- *Informe del personal por el Gerente Municipal Steve Jones.*
- *Participación de los ciudadanos*
- *Medidas tomadas por el Concejo*

10. **Resolution** establishing a date and time for meetings of the Zoning and Planning Commission.

- Citizen participation – Bruce Harris spoke.
- Council discussion/action – Councilmember Hennagin moved to deny the resolution and leave meeting time at 6:30 p.m. on the first Wednesday of each month. Motion failed for lack of a second. Councilmember Powell moved to approve the resolution moving the time to 9:10 a.m. on the first Wednesday of each month. Councilmember Haley seconded and the motion passed 6-1 with Councilmember Hennagin opposed.

**11. Citizens Participation** – The following persons spoke regarding the city’s deer management program: Dana Kelley, Rita Cross, Irene Mees, Pam Bilderback, Judy Holloway and Ted Windecker.

<p><b>CONSENT AGENDA: All items may be approved by one Council vote. Members of the Council may pull items from the consent agenda for discussion.</b></p>
--

**12. Approve Minutes:** Regular Council Meeting of December 18, 2017.

**13. Approve Quarterly Investment Report** for First Quarter Fiscal Year 2018, submitted by Julie Oakley, Assistant City Manager.

Councilmember Powell moved to approve the consent agenda. Councilmember Haley seconded and the motion passed by unanimous vote.

<p><b>END CONSENT AGENDA</b></p>
----------------------------------

**14. Adjourn** – Meeting adjourned at 7:44 p.m.

Signed this the \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
**Joe D. Bain, Jr., Mayor**

\_\_\_\_\_  
**Jo Ann Touchstone, City Secretary**



Item # 15

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**THE CITY OF LAKEWAY CITY COUNCIL MEETING**  
**Action Minutes of Regular Session**  
**Tuesday, February 20, 2018 at 6:30 p.m.**  
**Lakeway City Hall, 1102 Lohmans Crossing Road, Lakeway, Texas**

**AGENDA**

- 1. Establish Quorum and Call to Order.** - Present: Mayor Joe Bain, Mayor Pro Tem Massa, Councilmember Haley, Councilmember Hennagin, Councilmember Powell and Councilmember Trecker. Absent: Councilmember Bertram.
- 2. Establish Quorum and Call to Order.**
- 3. Pledge of Allegiance.**
- 4. Financial Report.**
  - Staff report by Assistant City Manager Julie Oakley – report given by Controller Darren Henson.
- 4. Special Use Permit - Short Term Rental:** A request from Rick and Gina Rogers, the owners of the property located at 833 Sunfish (Lakeway Section 14, Lot 809), for of a Special Use Permit to allow for a short-term rental use to operate at this location.
  - Staff Report by Building & Development Services Director Ray Miller.
  - Citizen participation –Diane Vercher, Mike Stotts and Michael Newmann spoke.
  - Council discussion/action – Councilmember Haley moved to approve the request for a special use permit to operate a short term rental at 833 Sunfish. Councilmember Powell seconded and the motion passed unanimously.
- 5. Preliminary Plan Revision - Lakeway Church:** Consider a request from O'Brien Engineering, the agent for the owner of the property located at 2203 Lakeway Boulevard, for approval of a revised preliminary plan for the subject property.
  - Staff Report by Building & Development Services Director Ray Miller.
  - Citizen participation – No one spoke.
  - Council discussion/action – Councilmember Powell moved to approve the preliminary plan. Mayor Pro Tem Massa seconded and the motion passed unanimously.
- 6. Amended Final Plat:** A request from Carlson, Brigrance & Doering, the agent for Lakeway Municipal Utility District, the owner of 12.499 acres located on the north side of Lohmans Crossing Road just east of Yaupon Creek, for an amended final plat of Lot 1, Lakeway MUD E5 Tank Subdivision.
  - Staff Report by Building & Development Services Director Ray Miller.

- Citizen participation – Perry Martin spoke.
- Council discussion/action – Councilmember Haley moved to approve the amended final plat. Councilmember Hennagin seconded and the motion passed unanimously.

- 7. Citizens Participation** – The following citizens spoke: Judy Holloway regarding recent school shooting in Florida, Perry Martin regarding the Comprehensive Plan, Rita Cross, Jordan Locklear, and Windecker regarding the deer management program.

**CONSENT AGENDA: All items may be approved by one Council vote. Members of the Council may pull items from the consent agenda for discussion.**

**8. Approve Minutes:** Special Council Meeting of January 29, 2018.

**9. Approve Minutes:** Regular Council Meeting of January 29, 2018.

Mayor Pro Tem Massa moved to table the minutes from the regular meeting of January 29, 2018. Councilmember Hennagin seconded and the motion passed unanimously.

Councilmember Powell moved to approved the special session minutes of January 29, 2018. Councilmember Haley seconded and the motion passed unanimously.

**END CONSENT AGENDA**

**10. Adjourn** – Meeting adjourned at 7:27 p.m.

Signed this the \_\_\_\_\_ day of February, 2018.

\_\_\_\_\_  
**Joe D. Bain, Jr., Mayor**

\_\_\_\_\_  
**Jo Ann Touchstone, City Secretary**

Item # 16

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**Julie Oakley, CPA**  
**Assistant City Manager**

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**Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** Annual Investment Policy Review

**Background:** As required by Section 8.15 of the Lakeway City Charter, and Chapter 2256 of the Texas Government Code, the annual review of the city's compliance with its investment policy has recently been completed. The review committee was composed of Julie Oakley, Steve Swan, Don Goff, and Jim Nelson. The investment policy was reviewed to ensure compliance with the Public Funds Investment Act, and to ensure that the investment objective regarding yield being representative of market conditions is being met. The committee is not recommending any changes to the policy.

**Fiscal Impact:** Approval of this policy will have no fiscal impact.

**Recommendation:** Staff recommends approval.

**Enclosure(s):** Resolution, Investment Policy, Updated Incumbency Certificate

**Resolution No. 2018-03-19-XX**

**A RESOLUTION OF THE CITY OF LAKEWAY, TEXAS  
APPROVING INVESTMENT POLICY**

WHEREAS, the Lakeway City Council has reviewed the City's Investment Policy for the Fiscal Year 2017-18; and

WHEREAS, there is a continuing need to invest and reinvest the City's funds in order to manage properly the fiscal affairs of the City and to comply with other pertinent resolutions and ordinances of the City; and

WHEREAS, The Public Funds Investment Act as amended (the "Act") authorizes the City to invest and reinvest its available funds in authorized investments; and

WHEREAS, the Act requires the City to adopt a written investment policy regarding the investment of its funds, designating investment officers to carry out investment policies, and make various provisions related thereto: now therefore,

**BE IT RESOLVED BY THE CITY COUNCIL OF LAKEWAY, TEXAS:**

That the attached Investment Policy, for the City of Lakeway, Texas, is hereby approved and adopted.

PASSED AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Joe Bain, Mayor

ATTEST:

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

# **City of Lakeway Investment Policy**

There is a continuing need to invest and reinvest the City of Lakeway's (the "City") funds in order to manage properly the fiscal affairs of the City and to comply with pertinent Resolutions of the City Council. The Public Funds Investment Act as amended (the "Act") authorizes the City to invest and reinvest its available funds in authorized investments, and the Act requires the City to adopt a written investment policy regarding the investment of its funds, designating investment officers to carry out said investment policies, and make various provisions related thereto.

## **Section 1. Investment Standard.**

The City's investment policy shall require that all City funds not immediately needed for operating and administrative expenses be continually invested in one or more of the hereinafter specifically authorized investments under terms and conditions, and for maturities, which are consistent with the City's financial objectives, strategies, and requirements.

## **Section 2. Investment Objectives.**

The investment objectives of the City, in order of priority, are (i) the safety of principal to preserve capital, (ii) liquidity for timely payment of debts with due regard for unforeseeable circumstances, and (iii) a yield representative of market conditions, consistent with the judgment and care that a person of prudence, discretion, and intelligence would exercise in the management of that person's own affairs, not for speculation but for investment.

## **Section 3. Investment Strategies.**

Investment of the City's financial assets shall utilize the following strategies:

(a) Investments above the core of the General Fund, Special Revenue Fund(s), and the Enterprise Fund shall be highly liquid to assure anticipated cash requirements are met. The core is defined as money reasonably expected to exceed current cash flow requirements. The core may be invested as authorized in Section 4 of this policy. The primary investment strategy for these operating funds is to assure that cash flows are matched with adequate investment liquidity.

(b) Investments for the Capital Project Fund(s) shall primarily be to assure that anticipated payment dates for contractual obligations are matched with adequate investment liquidity.

(d) Investment of the Debt Service Fund(s) shall be made with the primary purpose of matching investment maturities with debt service payment requirements.

## **Section 4. Authorized Investments.**

The financial assets of the City may be invested and reinvested in any of the following types of investments:

(a) direct obligations of the United States which have maturities not to exceed two (2) years that are backed by the full faith and credit of the United States Government (Treasury Bills).

It will be the policy of the City that all Treasury Bills shall be purchased using the "Delivery vs. Payment" method through the Federal Reserve System. By so doing, City funds are not released until the City has received, through the Federal Reserve wire, the securities being purchased.

(b) certificates of deposit maturing in twenty-four (24) months or less issued by a state or national bank which is a member of the FDIC and domiciled in this state having capital and surplus of not less than \$50 million, provided that any amount in excess of FDIC limits shall be secured by the pledge of obligations of the US Government and its instrumentalities; and,

(c) Texas Treasury Safekeeping Trust Company's (TexPool) public funds investment pool, which meets the requirements of Sec. 2256.016 through Sec. 2256.018 of the Act with a maximum average dollar-weighted maturity not to exceed ninety (90) days and a rating of no less than AAA or AAAm.

(d) FDIC insured or collateralized interest bearing money market accounts from any FDIC insured bank in Texas.

#### **Section 5. Investment Officers.**

(a) The City Manager, Assistant City Manager, City Treasurer (Assistant City Treasurers in the absence of the City Treasurer), and Finance Director are each designated as Investment Officers of the City and authorized and directed to be responsible for the investment of City funds. The concurrence of the Treasurer shall be required for all investments, and investments which exceed \$100,000 shall require the concurrence of the City Manager. Under normal conditions, all investments in TexPool, an investment pool, shall be deemed to have the concurrence of the City Treasurer and City Manager. The Investment Officers are authorized and directed to deposit, withdraw, invest, transfer and manage available City funds consistent with the provisions hereof. The authority granted herewith is valid and effective until rescinded by the City in writing.

(b) The Investment Officers shall comply with the training requirements contained in Sec. 2256.008 of the Act wherein each Investment Officer shall attend at least one training session related to their responsibilities within twelve (12) months after taking office or assuming duties. The City Manager, Deputy City Manager, City Treasurer, Assistant City Treasurers, and Finance Director are required to receive ten (10) PFIA hours of education every two calendar years. Training shall include education in investment controls, security risks, strategy risks, and market risks.

(c) A monthly accounting of each of the investment transactions and compilation of all invested City funds which includes sufficient information to identify all investments, their maturity, yield and price, the Investment Report, shall be approved by the Investment Officers. The Investment Officers shall submit quarterly reports comprised of the prior three months Investment Reports, together with the TexPool fund details provided by the Texas Safekeeping Trust Company to the Council of the City as prescribed by Section 2256.023 of the Act. In conjunction with its annual audit, the Auditor shall perform a compliance audit of adherence to the City's investment policies.



(d) An Investment Officer (i) who has a personal business interest with any entity seeking to sell an investment to the City or (ii) who is related by blood or marriage within the second degree to a person seeking to sell an investment to the City, shall file a statement disclosing the same information as required by Section 2256.005(i) of the Act.

(e) Investment Officers may authorize the purchase or sale of an authorized investment orally, in writing, electronically, or by a combination thereof, and shall obtain a safekeeping receipt of investments and place the same in the City's records.

(f) All investments which are not TexPool or 100% U. S. Treasury obligations and all investments with maturities exceeding 180 days shall require the concurrence of the City Treasurer and City Manager.

(g) Not less than three quotes shall be obtained for any proposed investments in excess of \$100,000 which are not placed in 100% U. S. Treasury Obligations or TexPool or which have maturities exceeding 180 days.

#### **Section 6. Investment Marketing Agents.**

A copy of this Resolution shall be presented to any person seeking to sell an authorized investment to the City, and the registered principal of the entity such person represents shall execute a written instrument complying with the provisions of Sec. 2256.005(k) of this Act. The Investment Officers may not purchase securities from a person or entity who has not delivered said instrument.

#### **Section 7. Incumbency Certificate.**

The City shall issue, and update as necessary, an Incumbency Certificate specifying the persons who are its Investment Officers. Any entity dealing with the City may continuously rely on this policy and the persons named in the Incumbency Certificate unless and until they receive written notification of any amendment to this policy or change in the persons authorized to act for the City. No entity shall be liable for any action taken pursuant to the provisions of this policy or the instructions of the persons named in the latest Incumbency Certificate by the City until written notification of a change therein is received.

#### **Section 8. Pledged Collateral**

Collateral ensures adequate protection of City money deposited in the financial institution designated by the City to hold the deposits of public money. The Finance Department reviews, tracks, and reconciles collateral pledged by the financial institution to secure public deposits. Both proposed and current pledged collateral are continuously evaluated for compliance with all applicable statutes, policies, and depository and custodial agreements. Pledged securities are monitored to assure that acceptable, valid, and marketable instruments secure public funds at all times.

Deposits of city money may be secured by securities of the United States, its agencies or instrumentalities which shall be accepted at market value. An Investment Officer shall obtain a written list of securities pledged to the City and is authorized to release or permit the substitution thereof as long as the Treasurer concurs.

## **Section 9. Depository**

At least every five years, a banking services depository shall be selected through a competitive request for proposal (RFP) in accordance with the Texas Local Government Code Section 105. In selecting a depository, the services, cost of services, credit worthiness, earnings potential, and collateralization by the institutions shall be considered. If securities require safekeeping, the RFP will request information on safekeeping services. The depository contract will be proved for collateral if balances exceed the FDIC insurance balance.

All time and demand deposits in any depository of the City shall be insured or collateralized at all times in accordance with this policy.

Other banking institutions from which the City may purchase certificates of deposit will also be designated as a depository for depository/collateral purposes. All depositories will execute a depository agreement and have the Bank's Board or Bank Loan Committee pass a resolution approving the agreement if collateral is required.

## CITY OF LAKEWAY

1102 Lohmans Crossing, Austin, Texas 78734-4470

Voice: (512) 314-7510 Fax (512) 314-7511

Federal Taxpayer I. D. # 74-1800819

### INCUMBENCY CERTIFICATE

The City Council of the CITY OF LAKEWAY of Travis County, Texas, hereby certifies that the following named persons are the specified Officers and Employees of the City and are, in addition to other matters, authorized and empowered to act for and on behalf of the City in the investment and reinvestment of City funds and to take all actions necessary or appropriate in connection therewith:

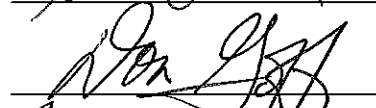
**TREASURER**

Steve Swan



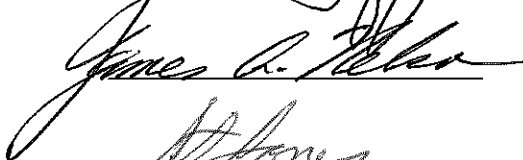
**ASSISTANT  
TREASURER**

Don Goff



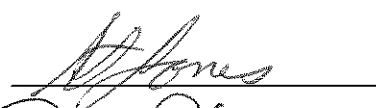
**ASSISTANT  
TREASURER**

Jim Nelson



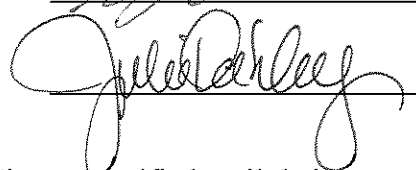
**CITY MANAGER**

Steve Jones



**ASSISTANT CITY MANAGER**

Julie Oakley



The persons named above are authorized to act for the City as specified until their successor has been designated and a revised Incumbency Certificate has been issued.

This Incumbency Certificate is certified to be true and correct and is issued with the understanding that all firms and persons dealing with the City shall rely thereon.

Dated this the \_\_\_\_ day of \_\_\_\_\_, 2018

\_\_\_\_\_  
Mayor Joe Bain

ATTEST:

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

City Seal:

Item # 17

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**Julie Oakley, CPA**  
**Assistant City Manager**

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### **Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** Resolution approving submission of a grant application for the Alternative Fueling Facilities Program to the Texas Commission on Environmental Quality

**Background:** The Texas Commission on Environmental Quality (TCEQ) has a grant opportunity for the purpose of continuing the development of a network of alternative fueling stations. This grant is part of the state's Alternative Fueling Facilities Program (AFFP). AFFP grants are meant to help build a foundation for a self-sustaining market for alternative fuel vehicles in the state.

As a participant in the Clean Air Coalition through the Capital Area Council of Governments, the City has committed to seek ways to facilitate the development of strategies to reduce ozone pollution. In conjunction with this commitment, city staff is requesting authorization to apply for the TCEQ grant to help fund the acquisition of an electric vehicle charging station. The electric vehicle charging station is proposed to be located at the Lakeway Swim Center.

**Fiscal Impact:** Approval of this resolution will have no immediate fiscal impact. However, if the grant is awarded, City Council would need to consider adding approximately \$8,000 to next fiscal year's budget as the match for the grant.

**Recommendation:** Staff recommends approval.

**Enclosure(s):** Resolution No. 2018-03-19-XX



**A RESOLUTION OF THE CITY OF LAKEWAY, TEXAS  
AUTHORIZING THE FILING OF A GRANT APPLICATION  
WITH THE TEXAS COMMISSION OF ENVIRONMENTAL  
QUALITY FOR ALTERNATIVE FUELING FACILITIES  
PROGRAM GRANT; AUTHORIZING THE ASSISTANT  
CITY MANAGER TO ACT ON BEHALF OF THE CITY OF  
LAKEWAY, TEXAS IN ALL MATTERS RELATED TO THE  
APPLICATION; AND PLEDGING THAT IF A GRANT IS  
RECEIVED THE CITY OF LAKEWAY, TEXAS WILL  
COMPLY WITH THE GRANT REQUIREMENTS OF THE  
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY,  
ALTERNATIVE FUELING FACILITIES PROGRAM, AND  
THE STATE OF TEXAS.**

WHEREAS, the Alternative Fueling Facilities Program is directed by the Texas Commission on Environmental Quality to administer grant funds for alternative fueling facility projects; and

WHEREAS, the City of Lakeway in the State of Texas is qualified to apply for grant funds under the Request for Applications.

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

1. That Julie Oakley, the Assistant City Manager, is authorized to request grant funding under the Texas Commission on Environmental Quality Alternative Fueling Facilities Program and act on behalf of The City of Lakeway in all matters related to the grant application and any subsequent grant contract and grant project that may result.
2. That if the project is funded, The City of Lakeway will comply with the grant requirements of the Texas Commission on Environmental Quality, the Alternative Fueling Facilities Program, and the State of Texas.
3. The grant funds and any grant-funded equipment or facilities will be used only for the purposes for which they are intended under the grant.

**PASSED & APPROVED this, the 19th day of March, 2018, by the City Council of Lakeway, Texas.**

**CITY OF LAKEWAY:**

*by:* \_\_\_\_\_

Joe D. Bain, Jr., Mayor

**ATTEST:**

\_\_\_\_\_  
Jo Ann Touchstone, City Secretary

Item # 18

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**Julie Oakley, CPA**  
**Assistant City Manager**

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### **Staff Report**

**Meeting date:** March 19, 2018

**Agenda item:** Approval of an interlocal contract for implementation of Solid Waste Management Activities through the Capital Area Council of Governments (CAPCOG)

**Background:** City Council approved a resolution authorizing City staff to apply for a grant from CAPCOG in its December meeting to purchase a used forklift for the Lake Travis Regional Recycling and Reuse Center (LTRRRC). The grant was approved by CAPCOG in the amount of \$12,500. The grant is for 50% of the cost of a forklift, and the LTRRRC will match the grant funds needed to purchase the forklift.

The interlocal contract is the agreement between the City and CAPCOG and lays out the framework of how the funds will be distributed and reported.

**Fiscal Impact:** Approval of this interlocal agreement will have no fiscal impact on the City. The funds used for the 50% match will be paid for out of a separate fund that all partners of the HHW facility contribute to on an annual basis. The funds are currently available for the match.

**Recommendation:** Staff recommends approval.

**Enclosure(s):** Interlocal Contract for Implementation of Solid Waste Management Activities, FY 2018-2019

# **CAPITAL AREA COUNCIL OF GOVERNMENTS INTERLOCAL CONTRACT FOR IMPLEMENTATION OF SOLID WASTE MANAGEMENT ACTIVITIES, FY 2018-2019**

The Capital Area Council of Governments (hereafter, CAPCOG) and the agreeing party (hereafter, SUBRECIPIENT) each certifies that it has authority to perform this Contract under Chapter 391 of the Local Government Code, and Chapter 361 of the Health and Safety Code.

This Solid Waste Interlocal Contract is entered into by and between the parties named below. **Neither the Texas Commission on Environmental Quality (TCEQ) nor the State of Texas is a party to this agreement.**

Contractor: Capital Area Council of Governments

SUBRECIPIENT: City of Lakeway

Contract #: 18-12-02

Award: \$12,500.00



## Article I. Contracting Parties

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**CONTRACTOR:** Capital Area Council of Governments

**Signature:** \_\_\_\_\_

**Printed Name:** Betty Voights

**Title:** Executive Director

**Date:** \_\_\_\_\_

**SUBRECIPIENT:** City of Lakeway

**Signature:** \_\_\_\_\_

**Printed Name:** Joe D. Bain, Jr.

**Title:** Mayor

**Date:** \_\_\_\_\_

## **Article II. General Contract Provisions**

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### **Section 2.01 Purpose**

- (a) The purpose of this Contract is to accomplish the goals of the Solid Waste Disposal Act of 1989, as amended, as they relate to distributing solid waste fee revenue funds to support local and regional solid waste projects consistent with the regional solid waste management plans approved by the TCEQ and to update and maintain those plans.
- (b) CAPCOG's Executive Committee has determined that this project will support the goals and objectives of CAPCOG's Regional Solid Waste Management Plan (RSWMP).
- (c) The overall goals this contract are:
  - (i) To enable CAPCOG to carry out or conduct various MSW management-related services and support activities within CAPCOG's regional jurisdiction;
  - (ii) To enable CAPCOG to report to the Legislature and promote the continuation of pass-through grant funding; and
  - (iii) To administer an efficient and effective region-wide pass-through assistance grants program and/or, where authorized by CAPCOG to conduct various CAPCOG-managed projects.

### **Section 2.02 Scope of Services**

- (a) All parties agree that the City of Lakeway, in consideration of compensation hereinafter described, shall carry out work as described in Article V of this contract.
- (b) The SUBRECIPIENT agrees to implement the Project according to the agreed upon budget in an amount not to exceed \$12,500.00 as detailed in Article VI of this Contract.
- (c) Failure on the part of the SUBRECIPIENT to comply with the conditions set forth in this Contract shall be the basis for termination of the Contract and recovery of any unexpended or inappropriately expended funds.

### **Section 2.03 Period of Performance**

- (a) The period of performance of this Solid Waste Interlocal Contract (hereafter, Contract) begins on April 1, 2018 and ends, unless sooner terminated under Section 2.10, Section 2.11, or Section 2.12, on December 31, 2018.
- (b) The SUBRECIPIENT has the time period shown above to complete the tasks as shown in Article V of this Contract.
- (c) The SUBRECIPIENT may request in writing a time extension, but CAPCOG is not obligated to provide the time extension.
- (d) **SUBRECIPIENT must not begin work under this Contract until CAPCOG's project representative identified in Article IV signs and transmits a "Notice-To-Proceed" to the SUBRECIPIENT's project representative. This will not occur until:**
  - (i) The project representative for the SUBRECIPIENT identified in Article IV completes a mandatory grant management workshop conducted by CAPCOG's project representative on March 21, 2018, (or at another time upon the mutual agreement of both project representatives).
  - (ii) The TCEQ approves the project.

#### **Section 2.04 Legal Authority and Indemnification**

- (a) The SUBRECIPIENT warrants and assures CAPCOG that it possesses adequate legal authority to enter into this Contract. The SUBRECIPIENT'S governing body where applicable has authorized the signatory official(s) to enter into this Contract and bind the SUBRECIPIENT to the terms of this Contract and any subsequent amendments hereto. The SUBRECIPIENT agrees to adhere to the provisions of Section 361.014 and Chapters 363 and 364 of the Texas Health and Safety Code, Title 30 Texas Administrative Code (30 TAC) section 330.649 of the MSW Rules, 30 TAC Chapter 14, TCEQ Rules, the UGMS.

#### **Section 2.05 Hold Harmless**

- (a) SUBRECIPIENT agrees to hold harmless CAPCOG and their elected officials, employees, officers, directors, volunteers and representatives, individually, officially and collectively, from and against any and all claims, liens, proceedings, actions or causes of action, other than claims based wholly on the negligence of, fault of, or breach of contract by CAPCOG, its agents, its employees, officials, and shall name CAPCOG and those representatives listed above as additional insured under the SUBRECIPIENT's general liability insurance policy or membership agreement in any governmental risk pool or other similar entity with a duty to provide a defense, and which is provided by policy or membership agreement so that CAPCOG may seek coverage upon demand by CAPCOG in the event of a covered claim.

#### **Section 2.06 Liability Insurance**

- (a) SUBRECIPIENT agrees to maintain its own commercial general liability insurance, or the equivalent in amount and coverage of self-insurance, during the term of this SUBRECIPIENT and to name CAPCOG an additional insured on the policy. SUBRECIPIENT agrees to provide the minimum primary insurance coverage of \$500,000 general aggregate and \$250,000 each occurrence plus \$500,000 excess coverage.
- (b) SUBRECIPIENT's liability insurance must contain provisions, to the extent legally permitted, that the insurer will notify CAPCOG in writing at least 10 calendar days in advance of (1) cancellation of non-renewal of the policy; (2) any reduction in the policy amounts; and (3) deletion of CAPCOG as an additional insured.
- (c) SUBRECIPIENT agrees to furnish CAPCOG with a certificate of the SUBRECIPIENT's commercial liability insurance or copy of its policy, or to certify in writing that it has in force the equivalent amount and coverage of self-insurance if requested.
- (d) SUBRECIPIENT shall maintain and supervise all safety precautions and programs in connection with its performance of the work program.

### **Section 2.07 Audit/Access to Records**

- (a) The SUBRECIPIENT shall maintain and make available for review, inspection and/or audit books, records, documents, and other evidence reasonably pertinent to performance on all work under this Contract, including negotiated changes or amendments thereto, in accordance with accepted professional practice, appropriate accounting procedures and practices at the SUBRECIPIENT'S Texas office.
- (b) CAPCOG, TCEQ, Texas State Auditor's Office or any of CAPCOG's duly authorized representatives, shall have access to such books, records, documents, and other evidence for the purpose of review, inspection and/or audit.
- (c) Audits conducted pursuant to this provision shall be in accordance with State law, regulations and policy, and generally accepted auditing standards and established procedures and guidelines of the reviewing or audit agency.
- (d) Records under Sections (a) above shall be maintained and made available during the entire period of performance of this Contract and until three (3) years from date of final CAPCOG payment for the project. In addition, those records which relate to any dispute, litigation, or the settlement of claims arising out of such performance, or costs or items to which an audit exception has been taken shall be maintained and made available until completion of such action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- (e) This audit/access to records applies to financial records pertaining to all subagreements and all subagreement change orders and amendments.
- (f) CAPCOG reserves the right to require the reimbursement of any over-payments determined as a result of any audit or inspection of records kept by the SUBRECIPIENT on work performed under this Contract.
- (g) The SUBRECIPIENT agrees to include Sections (a) through (g) of this Section in all subagreements or contracts and all change orders directly related to project performance.

### **Section 2.08 Independent Financial Audit**

- (a) The SUBRECIPIENT shall adhere to the Single Audit requirements of the UGMS. The SUBRECIPIENT shall deliver to CAPCOG any applicable audit report within thirty (30) days of completion of the audit report. The SUBRECIPIENT is responsible for including the Single Audit requirements in all subagreements and shall be responsible for insuring adherence to those requirements by all subgrantees and contractors.

### **Section 2.09 Amendments to Contract**

- (a) Any alterations, additions, or deletions to the terms of this Contract which are required by changes in state law or regulations are automatically incorporated into this Contract without written amendment hereto, and shall become effective on the date designated by such law or regulation, provided if the SUBRECIPIENT may not legally comply with such change, SUBRECIPIENT may terminate its participation herein as authorized by Section 2.10.
- (b) CAPCOG may, from time to time, require changes in the Scope of the Services of the SUBRECIPIENT to be performed hereunder. Such changes that are mutually agreed upon

by and between CAPCOG and the SUBRECIPIENT in writing shall be incorporated into this Contract.

- (c) Any changes in personnel whose salaries are funded under this Contract or any other Contract amendments, including increasing or decreasing the amount of total funding, altering budget category allocations, extending or shortening the term of the agreement, or making significant changes in the scope of work, schedule or deliverables, must be approved in advance by CAPCOG. A detailed description of the proposed change(s) shall be submitted in writing by the SUBRECIPIENT to CAPCOG for approval. Authorization to amend the Contract will be documented in writing and copies of the authorization retained in the files of both CAPCOG and SUBRECIPIENT.

#### **Section 2.10 Termination of Contract for Convenience**

- (a) CAPCOG may terminate this Contract in whole or part for its convenience. CAPCOG terminates this Contract for convenience by giving SUBRECIPIENT at least 30 calendar days' notice of the termination, specifying the termination date, and describing the part or parts terminated.
- (b) Upon receipt of the termination notice, SUBRECIPIENT agrees to stop work on or before the termination date, cancel all subcontracts and orders entered into under this Contract, and settle all claims resulting from cancellation of the subcontracts and orders. If CAPCOG terminates only part of the Contract, SUBRECIPIENT agrees to complete the un-terminated part if CAPCOG so requests.
- (c) At CAPCOG's request, following termination of the Contract for convenience, SUBRECIPIENT agrees to transfer title and deliver to CAPCOG, at CAPCOG's expense, all work produced in performing this Contract. SUBRECIPIENT agrees to preserve and protect the work until it is delivered to CAPCOG.
- (d) SUBRECIPIENT agrees to submit to CAPCOG a written termination claim itemizing and documenting the amounts due because of termination of the Contract. If SUBRECIPIENT does not submit the termination claim within 90 calendar days from the effective date of termination, SUBRECIPIENT's termination claim is barred.
- (e) If SUBRECIPIENT's termination claim is timely submitted, complete, and correct, CAPCOG agrees to pay SUBRECIPIENT the following amounts in full settlement of SUBRECIPIENT's termination claim: (1) the reasonable cost of all work performed through the date of termination; and (2) the reasonable cost of settling and paying claims resulting from cancellation of subcontracts and orders. However, CAPCOG's total payment under this paragraph may not exceed the total Contract price, less amounts already paid SUBRECIPIENT under this Contract, any lawful offsets, and the Contract price for any work not terminated.

#### **Section 2.11 Suspension or Termination of Contract for Unavailability of Funds**

- (a) SUBRECIPIENT acknowledges that CAPCOG is a governmental entity without taxing power and that its only source for paying SUBRECIPIENT under this Contract is the MSW Disposal and Transportation Revenue Fee administered by TCEQ under Contract with CAPCOG. If TCEQ suspends or terminates its Contract with CAPCOG, SUBRECIPIENT agrees that CAPCOG may suspend its payment obligations under or terminate this Contract in whole



or part if CAPCOG learns that funds to pay for all or part of the goods or services will not be available at the time of delivery or performance. If CAPCOG suspends or terminates only part of this Contract for unavailability of funds, SUBRECIPIENT agrees to perform the unsuspended or unterminated part if CAPCOG so requests.

- (b) CAPCOG suspends or terminates this Contract for unavailability of funds by giving SUBRECIPIENT notice of the suspension or termination, as soon as it learns of the funding unavailability, specifying the suspension or termination date, and describing the part or parts suspended or terminated. CAPCOG agrees to promptly return to SUBRECIPIENT at CAPCOG's expense any goods SUBRECIPIENT shipped to CAPCOG before receiving notice of suspension or termination.
- (c) If this Contract is terminated for unavailability of funds under this Section 2.11, SUBRECIPIENT is entitled to compensation for goods it furnished and services it performed before it received notice of termination. However, CAPCOG is not liable to SUBRECIPIENT for costs it paid or incurred under this Contract after or in anticipation of its receipt of notice of termination.

#### **Section 2.12 Termination for Breach of Contract**

- (a) If CAPCOG or SUBRECIPIENT breaches a material provision of this Contract, the other may notify the breaching party describing the breach and demanding corrective action. The breaching party has five business days from its receipt of the notice to correct the breach, or to begin and continue with reasonable diligence and in good faith to correct the breach. If the breach cannot be corrected within a reasonable time, despite the breaching party's reasonable diligence and good faith effort to do so, either party may terminate the Contract for breach by notifying the other party of the termination date, which may be no sooner than 10 calendar days from the notice date, or either party may invoke the dispute resolution process of Section 2.18.
- (b) If this Contract is terminated for breach under Subsection (a), SUBRECIPIENT is entitled to compensation for services it performed and goods it provided before it received notice of termination. However, CAPCOG is not liable to SUBRECIPIENT for costs it paid or incurred under this Contract after or in anticipation of its receipt of notice of termination.
- (c) Termination for breach under Subsection (a) does not waive CAPCOG's claim for damages resulting from the breach, and CAPCOG among other remedies may withhold from compensation owed SUBRECIPIENT an amount necessary to satisfy CAPCOG's claim.

#### **Section 2.13 Severability**

- (a) All parties agree that should any provision of this Contract be determined to be invalid or unenforceable, such determination shall not affect any other term of this Contract, which shall continue in full force and effect.

#### **Section 2.14 Data and Publicity**

- (a) All data and other information developed under this Contract shall be furnished to CAPCOG and shall be public data and information except to the extent that it is exempted from public access by the Texas Open Records/Public Information Act, TEX. GOV'T CODE

Chapter 552. Upon termination of this Contract, all data and information shall become the joint property of CAPCOG and the SUBRECIPIENT.

### **Section 2.15 Intellectual Property**

- (a) For the purpose of this Contract, "intellectual property" refers to 1) any discovery or invention for which patent rights may be acquired, and 2) any photographs, graphic designs, plans, drawings, specifications, computer programs, technical reports, operating manuals, or other copyrightable materials, and 3) any other materials in which intellectual property rights may be obtained.
- (b) If the SUBRECIPIENT conceives of, actually puts into practice, discovers, invents or produces any intellectual property during the course of its work under this Contract, it shall report that fact to CAPCOG.
- (c) The SUBRECIPIENT may obtain governmental protection for rights in the intellectual property. However, CAPCOG and TCEQ hereby reserve a nonexclusive, royalty-free and irrevocable license to use, publish, or reproduce the intellectual property for sale or otherwise, and to authorize others to do so. CAPCOG and TCEQ also reserve a royalty-free nonexclusive, and irrevocable license to use, publish, or reproduce for sale or otherwise, and to authorize others to use, publish, or reproduce, for sale or otherwise (to the extent consistent with the rights of third parties) any intellectual property for which the SUBRECIPIENT obtains rights with funds received under this Contract.
- (d) In performing work under this Contract, the SUBRECIPIENT shall comply with all laws, rules, and regulations relating to intellectual property, and shall not infringe on any third party's intellectual property rights. To the extent permitted by the laws and Constitution of the State of Texas, it shall hold CAPCOG and the TCEQ harmless for, defend and indemnify CAPCOG against, any claims for infringement related to its work under this Contract.

### **Section 2.16 Energy Efficiency Standards**

- (a) The SUBRECIPIENT is encouraged to follow standards and policies on energy efficiency which are contained in the Texas State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

### **Section 2.17 Identification of Funding Sources**

- (a) The SUBRECIPIENT shall acknowledge the financial support of the TCEQ and CAPCOG whenever work funded, in whole or part, by this Contract is publicized or reported in news media or publications. All reports and other documents completed as a part of this Contract, other than documents prepared exclusively for internal use, shall carry the following notation (or one similar) on the front cover or title page: SUPPORTED WITH FUNDS FROM THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) THROUGH THE CAPITAL AREA COUNCIL OF GOVERNMENTS (CAPCOG)

### **Section 2.18 Dispute Resolution**

- (a) The parties desire to resolve disputes arising under this Contract without litigation. Accordingly, if a dispute arises, the parties agree to attempt in good faith to resolve the dispute between themselves. To this end, the parties agree not to sue one another, except

to enforce compliance with this Section 2.18, until they have exhausted the procedures set out in these subsections.

- (b) At the written request of either party, each party shall appoint one non-lawyer representative to negotiate informally and in good faith to resolve any dispute arising under this Contract. The representatives appointed shall determine the location, format, frequency, and duration of the negotiations.
- (c) If the representatives cannot resolve the dispute within 30 calendar days after the first negotiation meeting, the parties agree to refer the dispute to the Dispute Resolution Center of Austin for mediation in accordance with the Center's mediation procedures by a single mediator assigned by the Center. Each party shall pay half the cost of the Center's mediation services.
- (d) The parties agree to continue performing their duties under this Contract, which are unaffected by the dispute, during the negotiation and mediation process.

#### **Section 2.19 Oral and Written Contracts**

- (a) All oral or written agreements between the parties hereto relating to the subject matter of this Contract which were developed and executed prior to the execution of this Contract have been reduced to writing and are contained herein.

#### **Section 2.20 Nondiscrimination and Equal Opportunity**

- (a) Subsection (b) summarizes the nondiscrimination requirements applicable to SUBRECIPIENT's performance under this Contract that are set out in detail in title 41, chapter 60, and title 28, parts 35 and 36, Code of Federal Regulations. The SUBRECIPIENT agrees to comply with the detailed requirements.
- (b) SUBRECIPIENT shall not exclude anyone from participating under this Contract, deny anyone benefits under this Contract, or otherwise unlawfully discriminate against anyone in carrying out this Contract because of race, color, religion, sex, age, disability, handicap, or national origin.

#### **Section 2.21 Utilization of Small, Minority, and Women's Business Enterprises**

- (a) A Historically Underutilized Business (HUB) is a Corporation, Sole Proprietorship, Partnership, or Joint Venture in which at least 51 percent is owned, operated, controlled and actively managed by a person or persons who are historically underutilized (socially disadvantaged) because of their identification with members of certain groups, including Black Americans, Hispanic Americans, Asian Pacific Americans, Native Americans (American Indians) and Women who suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control.
- (b) The SUBRECIPIENT agrees that qualified Historically Underutilized Businesses (HUBs) shall have the maximum practicable opportunity to participate in the performance of this Contract.

#### **Section 2.22 Force Majeure**

- (a) Subject to the requirements of Subsections (b) and (c) and the limitation of Subsection (d), a party's obligations under this Contract are suspended during any period the party is

- unable to perform its obligations because of work stoppage or strike resulting from a labor dispute; fire, flood, wind, earthquake, or other natural disaster; epidemic, riot, sabotage, rebellion, or war; governmental intervention; or other cause beyond the party's control.
- (b) Subsection (a) does not apply unless the party invoking it notifies the other party of the force majeure event within five business days after it occurs, describing the nature of the event in detail and estimating its likely duration. The party invoking Subsection (a) has the burden of proving that the force majeure event exists.
  - (c) If the other party is reasonably satisfied that the force majeure event exists, it shall notify the invoking party that the obligations of this Contract are suspended from the effective date of the event throughout its duration. The party invoking Subsection (a) shall notify the other party within five business days after the force majeure event ends. When the force majeure event ends, the obligations of this Contract are reinstated for the remainder of the Contract's term.
  - (d) If the obligations of this Contract are suspended because of a force majeure event for a cumulative period of more than 30 calendar days, either party may terminate this Contract in whole or part for convenience under Section 2.10.

#### **Section 2.23 Conflict of Interest**

- (a) SUBRECIPIENT agrees to comply with its internal policy prohibiting conflict of interest and with Chapter 171 of the TEX. LOCAL GOVT. CODE ANN. in carrying out this Contract.
- (b) If SUBRECIPIENT learns that one of its governing body members, officers, employees, or agents has violated or may violate its internal policy or Chapter 171, SUBRECIPIENT agrees promptly to take corrective and appropriate disciplinary action and to notify CAPCOG in writing of the actual or potential violation and the corrective and disciplinary action taken.

#### **Section 2.24 Miscellaneous**

- (a) All representations and warranties of SUBRECIPIENT, together with all continuing obligations described in this Contract, survive the ending or early termination of this Contract.
- (b) This Contract states the entire agreement of the parties, and an amendment to it is not effective unless in writing and signed by both parties.
- (c) This Contract is binding on and inures to the benefit of the parties' successors in interest.
- (d) This Contract is performable in Travis County, Texas, and Texas law governs the interpretation and application of this Contract.
- (e) This Contract is executed in duplicate originals.

## **Article III. Special Contract Provisions**

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### **Section 3.01 Compliance with Applicable Laws**

- (a) The SUBRECIPIENT shall give all notices and comply with all laws, ordinances, rules, regulations and order of any public authority bearing on the performance of this Contract including, but not limited to, the laws referred to in this Contract. If the SUBRECIPIENT or CAPCOG observes that this Contract is at variance, the observing party shall promptly notify the other party in writing, and any necessary changes shall be addressed by appropriate Contract modification. On request, the SUBRECIPIENT shall furnish CAPCOG modification. The main governing standards include, but may not be limited to the following:
  - (i) Chapters 361, 363, and 364, TEX. HEALTH & SAFETY CODE ANN;
  - (ii) Title 30 Texas Administrative Code (30 TAC) Chapter 330 MSW Regulations (30 TAC Chapter 330), Subchapter O;
  - (iii) The Uniform Grant and Contract Management Act, Chapter 783 of the TEX. GOV'T CODE ANN, and the Uniform Grant Management Standards, 1 TAC Section 5.141 et. seq. (UGMS);
  - (iv) CAPCOG's Contract #582-18-80531 with the TCEQ; and
  - (v) TCEQ's Regional Solid Waste Grants Program (RSWGP) Administrative Procedures

### **Section 3.02 CAPCOG Obligations**

- (a) In consideration of full and satisfactory performance hereunder, CAPCOG will be liable to SUBRECIPIENT in an amount equal to the allowable costs defined in UGMS, and incurred by SUBRECIPIENT in rendering such performance, subject to the following limitations:
  - (i) CAPCOG is not liable for expenditures made in violation of the Authorized Budget and funding guidelines in Article VI, which outline the standards which shall apply to the SUBRECIPIENT'S use of funds provided under this Contract, including prohibited activities and expense categories as defined by the TCEQ.
  - (ii) CAPCOG is not liable for any costs incurred by SUBRECIPIENT in the performance of this Contract which have not been billed to CAPCOG within thirty (30) days following termination of this Contract.
  - (iii) CAPCOG is not liable to SUBRECIPIENT for costs incurred or performance rendered by SUBRECIPIENT for costs incurred by SUBRECIPIENT before commencement of this Contract or after termination of this Contract.



### **Section 3.03 Financial Monitoring and Documentation**

#### **(a) Financial Monitoring Program**

- (i) The SUBRECIPIENT will adhere to the following financial monitoring requirements in order to receive reimbursement for authorized expenditures and to ensure that the expenditures incurred were reasonable and necessary to the project.
- (ii) Reimbursement Request Form which will be used to request reimbursement and will require sufficient backup documentation. Reimbursement requests may be submitted at any time during the grant period, but must be submitted at least as identified in Table 1.
- (iii) Payments (reimbursements) required under this Contract will be withheld by CAPCOG until such time as any past due progress reports are received
- (iv) Payments to the SUBRECIPIENT will be made only on a reimbursement basis. To receive reimbursement, the SUBRECIPIENT must submit the following:
  - 1) Reimbursement Request Form
  - 2) Copies of checks
  - 3) Copies of invoices
  - 4) List of bid responses for purchases over \$5,000
  - 5) Copy of Request for Proposal (RFP) and list of RFP responses (if applicable)
  - 6) Equipment inventory information (if applicable)
- (v) The SUBRECIPIENT's reimbursement request form must document all cash outlays for the project within scope of the project identified in the grant application including amounts that it will cover with any cash match.
- (vi) If the SUBRECIPIENT does not have a Purchasing Policy that complies with state law, the SUBRECIPIENT must adhere to the general provisions of CAPCOG's Purchasing Policy.
- (vii) The SUBRECIPIENT is allowed to account for expenses incurred and request reimbursement of outlays under either a cash or an accrual basis, as defined and authorized under the UGMS. To be eligible for reimbursement under this Contract, a cost must have been incurred and either paid by the SUBRECIPIENT prior to claiming reimbursement from CAPCOG or incurred by the last day of the time period indicated on a request for reimbursement form and liquidated no later than thirty (30) days after the end of that time period.
- (viii) CAPCOG will review all materials provided by the SUBRECIPIENT with a request for reimbursement, and will not make a reimbursement payment unless all required items listed under (iv) of this section have been provided and are deemed to be accurate.
- (ix) CAPCOG shall reimburse or otherwise make payment to the SUBRECIPIENT only for expenses incurred during the term of the Contract between CAPCOG and the SUBRECIPIENT.
- (x) CAPCOG will not reimburse or otherwise make payment to the SUBRECIPIENT for an expenditure that is not authorized under this Contract. If it is determined by either CAPCOG or the TCEQ that an expenditure that was reimbursed is not an authorized expense, CAPCOG shall request return and reimbursement of those funds from the SUBRECIPIENT or, where appropriate, the application of those funds to other authorized expenses, and shall not provide additional reimbursements to the SUBRECIPIENT until the funds are returned or are applied to other authorized expenses.

#### **(b) Documentation required**

- (i) In general, expenditure documentation to be maintained by the SUBRECIPIENT should be whatever is necessary to show that the work was indeed performed and that the expense was, in fact, incurred. In addition, the documentation should also support the fact that the expenditure was reasonable and necessary to this Contract. Documents that should be maintained, as appropriate for the expense, include but are not limited to the following:
  - 1) Salary/Wages – Time sheets that have been signed and approved.
  - 2) Travel – Documentation which, at a minimum, is consistent with State Travel Regulations. The purpose of the travel should be documented and supported with actual receipts for hotel accommodations, public transportation receipts, airline receipts, etc.
  - 3) Equipment – Purchase orders, invoices, and canceled checks.
  - 4) Supplies – Purchase orders (if issued), invoices, and canceled checks.
  - 5) Contractual – Purchase orders (if issued), invoices, and canceled checks, plus documentation that the costs were reasonable and necessary. The same standards should be applicable to contractors.
- (c) Additional documentation
  - (i) If requested by CAPCOG, the SUBRECIPIENT agrees to provide to CAPCOG the additional expense records and documentation materials for the time period requested by CAPCOG. CAPCOG will provide reasonable time for the SUBRECIPIENT to comply with a request for additional records. CAPCOG will review requested additional records and provide the SUBRECIPIENT a written summary of findings, if any, of that review. CAPCOG will also allow the SUBRECIPIENT reasonable time to respond to any findings of noncompliance or other problems identified.
- (d) SUBRECIPIENT is not an employee or agent of CAPCOG.

#### **Section 3.04 Reporting Requirements**

- (a) The SUBRECIPIENT shall prepare and submit to CAPCOG progress reports. These progress reports shall include a **Progress Reporting Form** which documents the progress and completion of tasks identified in the SUBRECIPIENT's application and includes the Results Tracking Form.
- (b) The SUBRECIPIENT progress reports required contain descriptions of activities and costs for CAPCOG to ensure that the provisions of this Contract are being complied with. In particular, any legal research and related legal activities shall be clearly detailed in the quarterly progress reports in order to assure CAPCOG that the activities are not prohibited under Section 6.02 of this Contract (relating to Supplemental Funding Standards). The SUBRECIPIENT shall comply with any reasonable request by CAPCOG for additional information on activities conducted in order for CAPCOG to adequately monitor the SUBRECIPIENT's progress in completing the requirements of and adhering to the provisions of this Contract.
- (c) The SUBRECIPIENT will certify in writing to CAPCOG through a final progress report the satisfactory completion of all activities and deliverables required under this Contract.
- (d) The SUBRECIPIENT shall maintain the information required by the form listed in Subsection (a) of this Section so that a follow-up results report can be prepared. The SUBRECIPIENT

shall provide CAPCOG with a follow-up Progress Reporting Form due July 31, 2020, so that CAPCOG can report to the TCEQ the results of the projects funded under this Contract.

- (e) The SUBRECIPIENT'S failure to comply with the requirements of this section shall constitute a breach of this Contract.
- (f) The SUBRECIPIENT shall maintain documentation on the results of the project activities for the life of the program or activity.
- (g) The reporting requirements of this Section 3.04 survive the ending or early termination of this Contract.
- (h) For the purposes of preparing progress and results reports, it is suggested that the SUBRECIPIENT maintain the Results Tracking Form on a monthly basis.
- (i) The required reporting form templates are incorporated into this contract by reference.
- (j) Collection events funded projects are required to submit one report only, which will be due the first applicable reporting date after the event is held.

**Table 1. Schedule of Deliverables FY 2018 REQUIRED REPORTS**

<b>Report</b>	<b>Report</b>	<b>Reporting Period</b>	<b>Due Date</b>
*Report #1	Progress, Results, Reimbursement	April. 1, 2018 – June 30, 2018	July 15, 2018
*Report #2	Progress, Results, Reimbursement	July 1, 2018 – Sept. 30, 2018	Oct. 12, 2018
*Report #3	Final Results, Reimbursement , Release of Claims	Oct. 1, 2018 – Dec. 31, 2018	Jan. 15, 2019
*Report #4	Follow-Up Progress Reporting Form	Jan. 1, 2019 – Mar. 31, 2020	Jul. 31, 2020

### **Section 3.05 Monitoring Requirements**

- (a) CAPCOG may periodically monitor SUBRECIPIENT for:
  - (i) The degree of compliance with the terms of this Contract, including compliance with applicable rules, regulations, and promulgations referenced herein; and
  - (ii) The administrative and operational effectiveness of the project.
- (b) CAPCOG will conduct periodic analysis of SUBRECIPIENT'S performance under this Contract for the purpose of assessing the degree to which contractual objectives and performance standards, as identified in this Contract or as subsequently amended, are achieved by SUBRECIPIENT.
- (c) Note that CAPCOG is including in this contract its risk assessment checklist, which CAPCOG staff will use to determine the extent of monitoring and compliance review and assistance CAPCOG will conduct for this contract. A copy of the risk assessment form is included in Article VII.

### **Section 3.06 Title to and Management of Real Property and Equipment**

- (a) SUBRECIPIENT must adhere to their published purchasing policies and procedures or CAPCOG's where no such policies and procedures have been approved and published.
  - (i) The SUBRECIPIENT may develop and use their own property management systems, which must conform with all applicable federal, state, and local laws, rules and regulations. If an adequate system for accounting for property owned by the SUBRECIPIENT is not in place or is not used properly, the Property Accounting System Manual issued by the State Comptroller of Public Accounts will be used as a guide for establishing such a system. The property management system used by the SUBRECIPIENT must meet the requirements set forth in this Section.
  - (ii) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of the property, who holds title, the acquisition date, and the cost of the property, percentage of state participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
  - (iii) A physical inventory of all equipment acquired or replaced under this Contract shall be conducted no less frequently than once every two years and the results of such inventories reconciled with the appropriate property records. Property control procedures utilized by the SUBRECIPIENT shall include adequate safeguards to prevent loss, damage, or theft of the acquired property. Any loss, damage, or theft shall be investigated. The SUBRECIPIENT shall develop and carry out a program of property maintenance as necessary to keep both originally acquired and any replaced property in good condition, and to utilize proper sales procedures to ensure the highest possible return, in the event such property is sold.
  - (iv) Certain types of equipment are classified as "controlled assets" and are subject to annual revision. In accordance with the UGMS, the SUBRECIPIENT should contact the Texas Comptroller of Public Accounts' property accounting staff or review the Comptroller's state Property Accounting User Manual available on the Internet, for the most current listing.

- (b) When, during the useful life of property acquired with grant funds under this Contract by the SUBRECIPIENT and with a current per-unit fair market value of \$5,000 or more, the property is no longer needed for the originally authorized purpose, SUBRECIPIENT agrees to request disposition instructions from the CAPCOG or, if CAPCOG is no longer administering a Regional Solid Waste Grants Program, the TCEQ. CAPCOG shall, in turn, request authorization from the TCEQ to provide disposition instructions to the SUBRECIPIENT. Disposition instructions shall solicit, at a minimum, information on the source and amount of funds used in acquiring the property, the date acquired, the fair market value and how the value was determined (e.g., by appraisal, bids, etc.), and the proposed use of the proceeds. The assessment of whether to authorize the proposed disposition of the property must include a determination that the disposition plan will comply with the private industry provisions of §361.014(b) of the TEXAS HEALTH & SAFETY CODE ANN. In cases where SUBRECIPIENT fails to take appropriate disposition actions, CAPCOG may direct SUBRECIPIENT to take appropriate disposition actions. The disposition instructions may provide for one of the alternatives as set forth in this Section.
- (i) Retain title, sell, or otherwise disposed of with no obligation to compensate CAPCOG.
  - (ii) Retain title after compensating CAPCOG. If CAPCOG is compensated by the SUBRECIPIENT for property acquired using funds provided under this Contract, CAPCOG will in turn compensate the TCEQ or, upon authorization by the TCEQ, use those funds for other projects or activities that support this or similar future programs conducted by the TCEQ. The amount due will be computed by applying the percentage of state-funded participation in the cost of the original purchase to the fair market value of the property.
  - (iii) Sell the property and compensate CAPCOG. If CAPCOG is compensated by the SUBRECIPIENT for property acquired using funds provided under this Contract, CAPCOG will in turn compensate the TCEQ or, upon authorization by the TCEQ, use those funds for other projects or activities that support the goals of this or similar future programs conducted by the TCEQ. The amount due will be calculated by applying CAPCOG's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When SUBRECIPIENT is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.
  - (iv) Transfer title to CAPCOG or to a third-party designated/approved by the TCEQ. If the SUBRECIPIENT participated financially in the original purchase of the property, the SUBRECIPIENT may be authorized payment from the receiving party of an amount calculated by applying the percentage of the participation in the original purchase of the property to the current fair market value of the property.

#### **Article IV. Project Representatives and Location of Records**

The Capital Area Council of Governments hereby designates the individual below as the person to give direction to the SUBRECIPIENT as Project Representative of CAPCOG:

<b>Name:</b>	Ken May
<b>Title:</b>	Regional Program Coordinator
<b>Address:</b>	6800 Burleson, Bldg 310, Ste 165 Austin, TX 78744
<b>Phone:</b>	(512) 916-6040
<b>Fax:</b>	(512) 916-6001
<b>Email:</b>	kmay@capcog.org

The SUBRECIPIENT hereby designates the individual named in the application as the person authorized to receive direction from CAPCOG, to manage the work being performed, and to act on behalf of the SUBRECIPIENT as a Project Representative:

The SUBRECIPIENT designates the following location for record access and review for this Contract:

<b>Address:</b>	1102 Lohmans Crossing Lakeway, Tx 78734
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## **Article V. Work Program of Subrecipient**

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### **Section 5.01 Incorporation of Subrecipient's Grant Application**

- (a) The SUBRECIPIENT's grant application, as reviewed by CAPCOG's Solid Waste Advisory Committee on January 19, 2017, is hereby incorporated by reference into this contract.
- (b) Except as explicitly authorized by CAPCOG's project representative or otherwise described in this contract, the SUBRECIPIENT shall carry out the work program described in its grant application.
- (c) No purchases made, expenses incurred, or work performed outside of the performance period of this contract or not described in the SUBRECIPIENT's application will be reimbursed by CAPCOG.
- (d) With the approval of CAPCOG's Director of Regional Services, CAPCOG's project representative may approve minor changes to the scope of work in the SUBRECIPIENT's grant application to the extent that the changes would not have affected the scoring and ranking of the SUBRECIPIENT's application.
- (e) SUBRECIPIENT understands that failure to complete its work as described in the application (or modified with approval of CAPCOG) by the end of the performance period of this contract will result in CAPCOG redirecting unreimbursed funds to other activities.

## **Article VI. Subrecipient Budget and Funding Standards**

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### **Section 6.01 Subrecipient's Grant Budget**

- (a) SUBRECIPIENT's grant budget is limited to the amounts identified for each expense category and purposes identified in form 7 of the SUBRECIPIENT's application as reviewed by CAPCOG's SWAC on January 19, 2018, with any mutually agreed upon modifications to the allocation of funding among expenses categories approved by CAPCOG's Project Representative that does not materially alter the work that will be performed.
- (b) CAPCOG will only reimburse eligible expenses above the level of the cash match identified in form 7 of the SUBRECIPIENT's application as reviewed by CAPCOG's SWAC on January 19, 2018.

### **Section 6.02 General Supplemental Funding Standards**

- (a) In addition to the standards set forth in applicable laws and regulations, the standards below apply to all uses of the funds provided under this Contract. Unless authorization is otherwise specifically provided for under the terms of this Contract, the use of funds provided under this Contract shall be in accordance with the supplemental funding standards set forth in this Section.
- (b) **Payment of Fees.** Local and regional political subdivisions subject to the payment of state solid waste disposal fees and whose payments are in arrears are not eligible to receive grant funding.
- (c) **Land Acquisition Costs.** Funds provided under this Contract may not be used to acquire land or an interest in land.
- (d) **MSW-Related Programs Only.** Funds provided under this Contract may not be used for programs dealing with wastes that are not considered MSW (MSW), including programs dealing with industrial or hazardous wastes.
- (e) **Activities Related to the Disposal of MSW.** Except as may be specifically authorized under an eligible project category, funds provided under this Contract may not be used for activities related to the disposal of MSW. This restriction includes: solid waste collection and transportation to a disposal facility; waste combustion (incineration or waste-to-energy); processing for reducing the volume of solid waste which is to be disposed of; any landfill-related facilities or activities, including the closure and post-closure care of a landfill; or other activities and facilities associated with the ultimate disposal of MSW. This provision does not apply to activities specifically included under an authorized project category, to include citizens' collection stations, and small registered transfer stations.
- (f) **Projects Requiring a TCEQ Permit.** Funds may not be used for expenses related to projects or facilities that require a permit from the TCEQ and/or that are located within the boundaries of a permitted facility, including landfills, wastewater treatment plants, and other facilities. This provision, however, may be waived by the TCEQ, at its discretion, for otherwise eligible activities to be located at a closed permitted facility and/or for recycling activities that will take place within the boundaries of an open facility. Recycling activities that may qualify for such a waiver may include recyclables collection, composting, and land application of biosolids for beneficial use. The applicant should request a preliminary

determination from the TCEQ as to the eligibility of the project prior to consideration for funding.

- (g) **Projects Requiring TCEQ Registration.** Projects or facilities that require registration from the TCEQ, and which are otherwise eligible for funding, may be funded. However, the registration for the facility must be approved and granted by the TCEQ before that project can be selected for funding.
- (h) **Projects that Create a Competitive Advantage Over Private Industry.** In accordance with §361.014(b) of the Texas Health and Safety Code, a project or service funded under this Contract must promote cooperation between public and private entities and may not be otherwise readily available or create a competitive advantage over a private industry that provides recycling or solid waste services. Under this definition, the term private industry includes non-profit entities.
- (i) **Supplanting Existing Funds.** Funds provided under this Contract may not be used to supplant existing funds. In particular, staff positions where the functions assigned to that position will remain the same and that were active at the time of the grant application, and were funded from a source other than a previous solid waste grant, are not eligible for grant funding. This provision does not apply to the salaries for staff of the SUBRECIPIENT in its conduct of activities under this Contract.
- (j) **Food/Entertainment Expenses.** Funds provided under this Contract may not be used for food or entertainment expenses, including refreshments at meetings and other functions. This provision does not apply to authorized employee per diem expenses for food costs incurred while on travel status.
- (k) **Use of Alcoholic Beverages.** None of these funds may be used for the purchase of alcoholic beverages, including travel expenses reimbursed with these funds. Funds provided under this Contract may not be used for payment of salaries to any employee who uses alcoholic beverages on active duty.
- (l) **Funds to Law Enforcement Agencies.** Funds may not be provided to any law enforcement agency regulated by Texas Occupational Code, Title 10, Chapter 1701, unless: (a) the law enforcement agency is in compliance with all rules on Law Enforcement Standards and Education; or (b) the Texas Commission on Law Enforcement certifies that the requesting agency is in the process of achieving compliance with such rules.
- (m) **Funds for Compliance.** Funds may not be used to assist an entity or individual to comply with an existing or pending federal, state, or local judgment or enforcement action. This restriction includes assistance to an entity to comply with an order to clean up and/or remediate problems at an illegal dumpsite. However, the TCEQ may waive this restriction, at its discretion and on a limited case-by-case basis, to address immediate threats to human health or the environment, and where it is demonstrated that the responsible party does not have the resources to comply with the order.
- (n) **Funds to Pay Penalties.** Funds may not be used to pay penalties imposed on an entity for violation of federal, state, or local laws and regulations. This restriction includes expenses for conducting a supplemental environmental project (SEP) under a federal or state order or penalty. Funds may be used in conjunction with SEP funds to support the same project.

- (o) **Funds for Lobbying Activities.** Funds may not be used for employment, contracts for services of a lobbyist, or for dues to an organization, which employs or otherwise contracts for the services of a lobbyist.
- (p) **Use of Funds.** The provisions of the UGMS apply to the use of these funds, as well as the supplemental financial administration provided in the CAPCOG program Administrative Procedures.
- (q) **Procurement and Purchasing.** Recipients of funds under this Contract, including the COG, pass-through grant recipients, and contractors shall comply with all applicable state and local laws and regulations pertaining to the use of state funds, including laws concerning the procurement of goods and services and competitive purchasing requirements.

### **Section 6.03 Category-Specific Funding Restrictions**

- (a) Under CAPCOG's contract with TCEQ, CAPCOG is required to ensure that all implementation projects funded under this Contract fit within defined categories.
- (b) Category-specific funding limitations apply to each category identified by TCEQ and shall apply to this subgrant.
- (c) The project category for this grant is Household Hazardous Waste Management, for which the following funding restrictions apply:
  - (i) Funds may be used for projects that provide a means for the collection, recycling or reuse, and/or proper disposal of household hazardous waste, including household chemicals, electronic wastes, and other materials. Funded activities may include: collection events; consolidation and transportation costs associated with collection activities; recycling or reuse of materials; proper disposal of materials; permanent collection facilities, education and public awareness programs; and, School Chemical Clean-out Campaign (SC3) events and programs.
  - (ii) All HHW events must meet the requirements of 30 TAC §335, Suchapter N, and must be coordinated through the TCEQ HHW Program.
  - (iii) All HHW collection event activities must be conducted under an operational plan which meets the requirements of 30 TAC §335.405(a), to be maintained onsite, which addresses collection, ingress and egress, storage, transportation, recycling, and disposal.
  - (iv) All HHW funded project plans must be submitted to the CAPCOG Solid Waste Program for review and approval at least 45 days prior to scheduled event.
  - (v) The SUBRECIPIENT must submit to the TCEQ HHW Program a 45 Day Notice which meets the requirements of 30 TAC §335.403(b) (if hosting an HHW event for covered materials).
  - (vi) SUBRECIPIENT may be required to attend a mandatory training on hosting HHW Events if the SUBRECIPIENT has not received HHW Event funding through CAPCOG within the last three biennia. SUBCONTRACTOR must request this training at least 90 days prior to hosting the funded event.

## Article VII. CAPCOG Solid Waste Grant Subrecipient Risk Assessment Form

Organization: City of Lakewood Date: 3/9/18

Period of Performance: \_\_\_\_\_ Contact: Julie Oakley

Consistent with Title 2, Code of Federal Regulations, Chapter 200, the Capital Area Council of Governments (CAPCOG) is evaluating each Solid Waste Grant subrecipient's risk of non-compliance to assist us in monitoring grant performance. Answers to the questions below will assist CAPCOG in assessing the level of monitoring and technical assistance that will be needed for each subgrant.

Question	Yes/No	Comments
1: Has the organization received solid waste grant funding through CAPCOG since September 1, 2013?	Yes	If Yes, please identify fiscal year(s) <u>2013</u>
2: Has the organization previously received solid waste grant funding through CAPCOG for the same project category since September 1, 2013?	Yes	If Yes, please identify fiscal year(s) <u>2013</u>
3. Has the organization completed the same type of activity, with or without CAPCOG funding, since September 1, 2013?	Yes	If Yes, please identify fiscal year(s) <u>2013-present</u>
4. Is this project an HHW collection event?	No	[note: if the organization has completed an HHW collection event since September 1, 2013, with CAPCOG grant funds, the project <u>will</u> require extra monitoring and technical assistance]
5. Do you have specific personnel assigned to the management and completion of your grant award project?	yes	If yes, please identify <u>Julie Oakley - Asst City Manager</u> <u>Darren Henson - Controller</u>
6. Do the specific personnel assigned to the management and completion of your grant award project have prior grant management experience in general?	yes	If Yes, please describe briefly: [note: lack of experience will require additional monitoring and technical assistance] <u>Julie Oakley has</u>

been working with grant funding since 2001.

Question	Yes/No	Comments
7. Do the specific personnel assigned to the management and completion of your grant award project have experience with managing a COG solid waste grant since September 1, 2013?	yes	If Yes, please describe briefly: [note: lack of recent experience with this type of grant <u>may</u> require additional monitoring and technical assistance] Law Enforcement + Solid waste
8. Were there any errors in the organizations FY 2018-2019 grant application?	No	If Yes, please explain:
9: Were there any performance deficiencies in any pervious solid waste contracts with CAPCOG since September 1, 2013? (i.e., were extensions needed? Were any reports or reimbursement requests submitted to CAPCOG late or inaccurate?)	No	If Yes, please explain: [note: CAPCOG project representative will review own records and will determine whether any deficiencies were important enough to warrant additional monitoring]
10. Does your organization have purchasing policies and procedures?	yes	If Yes, please provide a copy attached
11. Will this project use contractors?	No	If Yes, please identify