



501 East Craven • P.O. Drawer 154549 • Waco, Texas 76715-4549 • Telephone (254) 799-2458

**CITY OF LACY LAKEVIEW
CITY COUNCIL MEETING
501 E. CRAVEN AVE., LACY LAKEVIEW, TX. 76705
TUESDAY, FEBRUARY 27, 2024
6:00 P.M.**

NOTICE IS HEREBY GIVEN THAT LACY LAKEVIEW CITY COUNCIL WILL CONVENE AT 6:00 P.M. ON FEBRUARY 27, 2024, TO CONSIDER AND ACT ON THE ITEMS ON THE FOLLOWING AGENDA.

Convene to Work Session

1. Call to Order.
2. Roll Call.
3. Pledge of Allegiance to the United States of America.
4. Presentation of possible project(s) for the American Rescue Plan Act funding.

Recess Work Session to Convene Regular Session

Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, 551.073, 551.074, 551.076, 551.087, and Section 418.183(f) of the Texas Government Code (Texas Disaster Act). The Lacy Lakeview City Council reserves the right to go into Executive Session under any of these exceptions, at any time during the meeting that a need arises for the City Council to seek advice from the City Attorney as to the posted subject matter of this City Council meeting.

5. **Mayor's Report.**
Briefings or updates may be provided regarding City Council and/or community events.
6. **Council Member's Input.**
Briefings or updates may be provided regarding City Council and/or community events.
7. **Public Comment**

This time is for individuals to address the City Council on issues and items of concern on or not on the agenda. There will be no City Council action at this time. Limit of 3 minutes per person. The City Council reserves the right to delay, when appropriate and upon the agreement of the individual, on a specific agenda item so they may speak at that time.

8. Discussion and annual review of the Racial Profiling report with TCOLE as required by State law.
9. Discussion and consideration of action to authorize the Municipal Court to sign a revised FTA (Failure to Appear) contract for continued participation in the FTA Program.
10. Discussion and consideration of action to authorize the City Manager to sign letter from Paul B. Holm & Company, PLLC regarding the Audit.
11. Discussion and consideration of action to authorize the City Manager to enter into a Tax Abatement Agreement with Foamtec International (Located in Reinvestment Zone #2) that would be effective beginning with the 2024 tax year and extend for five (5) years through 2028.
12. Discussion and consideration of action to authorize the City Manager to enter into a Tax Abatement Agreement with Zink Power, LLC (Located in Reinvestment Zone #1) that would be effective beginning with the 2024 tax year and extend for ten (10) years through 2033.
13. Discussion and consideration of an action to approve Resolution 2024-05 authorizing the City Manager to enter into an Interlocal Agreement with McLennan County for blading in Hot Mix for leveling and repairing of existing Spring Lake Road;

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING SPRING LAKE ROAD.

14. Discussion and consideration of an action regarding Resolution 2024-06 authorizing the City Manager to enter into an Interlocal Agreement with McLennan County for total reclamation and rebuild of existing Old Central Road;

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING OLD CENTRAL ROAD.

Recess Regular Session to Convene Executive Session

Executive Session:

Notice is hereby given that the City council will go into Executive Session in accordance with the following provisions of the Government Code; Sec 551.074, to deliberate appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

- 15. Discussion and consideration of motion, if any, regarding matters discussed in Executive Session.
- 16. Adjournment.

Certification

I certify that the above notice of this meeting was posted on the Bulletin Board at the Lacy Lakeview Municipal Building located at 501 E. Craven, Lacy Lakeview, Texas, and on the City of Lacy Lakeview's official website: www.lacylakeview.org on **February 23, 2024 at 3:00 p.m.**

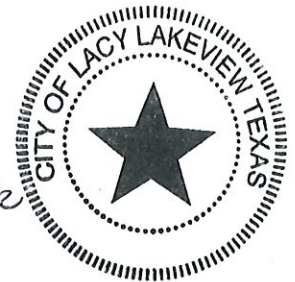
Notice

Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services should contact Laurie Kaczmarek, City Secretary, at (254) 799-2458 at least twenty-four (24) hours before this meeting so that appropriate arrangements can be made.

ATTEST:

Christine McMains for Laurie Kaczmarek

Laurie Kaczmarek
City Secretary



I certify that the attached Notice and Agenda of items to be considered by the City Council was removed from the bulletin at City Hall on the _____ day of _____, 2022.

COUNCIL AGENDA ITEM #5

SUMMARY:

Mayor's Report

Briefings or updates may be provided regarding City Council and/or community events.

COUNCIL AGENDA ITEM #6

SUMMARY:

Council Member's Input

Briefings or updates may be provided regarding City Council and/or community events.

COUNCIL AGENDA ITEM #7

SUMMARY:

Public Comment

This time is for individuals to address the City Council on issues and items of concern on or not on the agenda. There will be no City Council action at this time. Limit of 3 minutes per person. The City Council reserves the right to delay, when appropriate and upon the agreement of the individual, on a specific agenda item so they may speak at that time.

COUNCIL AGENDA ITEM #8

Council Meeting:
February 28, 2024

Originating Dept: Police

Agenda Item:

Discussion and annual review of the Racial Profiling report with TCOLE as required by State law.

Action:

- | | |
|---|---|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input checked="" type="checkbox"/> Other |

Racial Profiling Report | Full

Agency Name: LACY LAKEVIEW POLICE DEPT.

Reporting Date: 02/22/2024

TCOLE Agency Number: 309205

Chief Administrator: JERON M. BARNETT

Agency Contact Information:

Phone: (254) 799-2479

Email: jeron.barnett@lacylakeview.org

Mailing Address:

505 E Craven Ave

P.O. BOX 154549, Waco, TX 76715-4549

WACO, TX 76705

This Agency filed a full report

LACY LAKEVIEW POLICE DEPT. has adopted a detailed written policy on racial profiling. Our policy:

- 1) clearly defines acts constituting racial profiling;
- 2) strictly prohibits peace officers employed by the LACY LAKEVIEW POLICE DEPT. from engaging in racial profiling;
- 3) implements a process by which an individual may file a complaint with the LACY LAKEVIEW POLICE DEPT. if the individual believes that a peace officer employed by the LACY LAKEVIEW POLICE DEPT. has engaged in racial profiling with respect to the individual;
- 4) provides public education relating to the agency's complaint process;
- 5) requires appropriate corrective action to be taken against a peace officer employed by the LACY LAKEVIEW POLICE DEPT. who, after an investigation, is shown to have engaged in racial profiling in violation of the LACY LAKEVIEW POLICE DEPT. policy;
- 6) requires collection of information relating to motor vehicle stops in which a warning or citation is issued and to arrests made as a result of those stops, including information relating to:
 - a. the race or ethnicity of the individual detained;
 - b. whether a search was conducted and, if so, whether the individual detained consented to the search;
 - c. whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual;
 - d. whether the peace officer used physical force that resulted in bodily injury during the stop;
 - e. the location of the stop;
 - f. the reason for the stop.
- 7) requires the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - a. the Commission on Law Enforcement; and
 - b. the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

The LACY LAKEVIEW POLICE DEPT. has satisfied the statutory data audit requirements as prescribed in Article 2.133(c), Code of Criminal Procedure during the reporting period.

Executed by: LAKENYA D. GREATHOUSE
Communications/Records Supervisor

Date: 02/22/2024

Total stops: 2519

Street address or approximate location of the stop

City street	740
US highway	1374
County road	1
State highway	396
Private property or other	8

Was race or ethnicity known prior to stop?

Yes	2
No	2517

Race / Ethnicity

Alaska Native / American Indian	20
Asian / Pacific Islander	50
Black	804
White	1158
Hispanic / Latino	487

Gender

Female	913
Alaska Native / American Indian	7
Asian / Pacific Islander	11
Black	316
White	425
Hispanic / Latino	154
Male	1606
Alaska Native / American Indian	13
Asian / Pacific Islander	39
Black	488
White	733
Hispanic / Latino	333

Reason for stop?

Violation of law	22
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	9
White	9

Hispanic / Latino	4
Preexisting knowledge	1
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	0
Hispanic / Latino	0
Moving traffic violation	1103
Alaska Native / American Indian	8
Asian / Pacific Islander	34
Black	319
White	522
Hispanic / Latino	220
Vehicle traffic violation	1393
Alaska Native / American Indian	12
Asian / Pacific Islander	16
Black	475
White	627
Hispanic / Latino	263
Was a search conducted?	
Yes	406
Alaska Native / American Indian	0
Asian / Pacific Islander	3
Black	126
White	196
Hispanic / Latino	81
No	2113
Alaska Native / American Indian	20
Asian / Pacific Islander	47
Black	678
White	962
Hispanic / Latino	406
Reason for Search?	
Consent	172
Alaska Native / American Indian	0
Asian / Pacific Islander	2
Black	44
White	90

Hispanic / Latino	36
Contraband	6
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	4
Hispanic / Latino	2
Probable	219
Alaska Native / American Indian	0
Asian / Pacific Islander	1
Black	80
White	96
Hispanic / Latino	42
Inventory	2
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	1
Hispanic / Latino	0
Incident to arrest	7
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	5
Hispanic / Latino	1

Was Contraband discovered?

Yes	171
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	55
White	84
Hispanic / Latino	32
No	235
Alaska Native / American Indian	0
Asian / Pacific Islander	3
Black	71
White	112
Hispanic / Latino	49

Did the finding result in arrest?

(total should equal previous column)

Yes	0	No	0
Yes	0	No	0
Yes	4	No	51
Yes	21	No	63
Yes	6	No	26

Description of contraband

Drugs	139
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	46
White	66
Hispanic / Latino	27
Weapons	7
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	4
Hispanic / Latino	2
Currency	0
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	0
Alcohol	32
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	11
White	16
Hispanic / Latino	5
Stolen property	0
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	0
Other	10
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	3
White	7
Hispanic / Latino	0

Result of the stop

Verbal warning	0
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Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	0
Written warning	2231
Alaska Native / American Indian	20
Asian / Pacific Islander	45
Black	715
White	1020
Hispanic / Latino	431
Citation	210
Alaska Native / American Indian	0
Asian / Pacific Islander	5
Black	69
White	93
Hispanic / Latino	43
Written warning and arrest	75
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	18
White	44
Hispanic / Latino	13
Citation and arrest	1
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	0
Hispanic / Latino	0
Arrest	2
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	1
White	1
Hispanic / Latino	0
Arrest based on	
Violation of Penal Code	46
Alaska Native / American Indian	0
Asian / Pacific Islander	0

Black	7
White	32
Hispanic / Latino	7
Violation of Traffic Law	3
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	2
Hispanic / Latino	1
Violation of City Ordinance	0
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	0
Outstanding Warrant	29
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	13
White	11
Hispanic / Latino	5

Was physical force resulting in bodily injury used during stop?

Yes	0
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	0
Resulting in Bodily Injury To:	
Suspect	0
Officer	0
Both	0
No	2519
Alaska Native / American Indian	20
Asian / Pacific Islander	50
Black	804
White	1158
Hispanic / Latino	487

Number of complaints of racial profiling

Total	0
Resulted in disciplinary action	0
Did not result in disciplinary action	0

Comparative Analysis

Use TCOLE's auto generated analysis	<input checked="" type="checkbox"/>
Use Department's submitted analysis	<input type="checkbox"/>

Optional Narrative

N/A

Submitted electronically to the



The Texas Commission on Law Enforcement

COUNCIL AGENDA ITEM #9

Council Meeting:
February 28, 2024

Originating Dept: Municipal Court

Agenda Item:

Discussion and consideration of action to authorize the Municipal Court to sign a revised FTA (Failure to Appear) contract for continued participation in the FTA Program.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |



TEXAS DEPARTMENT OF PUBLIC SAFETY

5805 N LAMAR BLVD • BOX 4087 • AUSTIN, TEXAS 78773-0001
512/424-2000
www.dps.texas.gov



STEVEN C. McCRAW
DIRECTOR
WALT GOODSON
FREEMAN F. MARTIN
DWIGHT D. MATHIS
DEPUTY DIRECTORS

COMMISSION
STEVEN P. MACH, CHAIRMAN
NELDA L. BLAIR
LARRY B. LONG
STEVE H. STODGHILL
DALE WAINWRIGHT

January 29, 2024

LACY LAKEVIEW MUNICIPAL COURT
PO BOX 154549
WACO, TX 76715

Re: Notice of Interlocal Cooperation Contract (ICC) for Failure to Appear (FTA) Program

Dear Court Administrator,

Due to changes occurring in the 88th Legislative Session, the Department revised the FTA contract (ICC). This notice is to inform you of the changes and the need to sign a new contract to continue your participation in the FTA program. You must return the signed contract (ICC) **within 90 days** from the date of this notice to continue participating in the program.

The following changes have been made to the contract (ICC):

- Changes to language and restructuring of the original ICC to provide clarity regarding the specific responsibilities held by each party.
- Inclusion of indigency into the program as mandated by House Bill 291, 88th Legislative Session.
- Language to account for future changes to the current statute, either federal or state, ensuring that the ICC remains in compliance with the latest legal requirements until a revised ICC is available.

It is imperative that all participants in the FTA program adhere to these updated terms to ensure the program's continued effectiveness and compliance with relevant legislation. Submit the completed and signed contract (ICC) by mail, email, or fax. Please ensure you address this attention to FTA Program.

Mailing address:

Enforcement & Compliance Service
5805 North Lamar Blvd, Bldg A,
Austin, TX 78752-0300
E-mail: driver.improvement@dps.texas.gov
Fax: (512) 424-2848

Should you have any questions, please send an email to driver.improvement@dps.texas.gov. Thank you for your immediate attention to this matter.

Regards,
Manager
Enforcement and Compliance Service

Enclosure

**Interlocal Cooperation Contract
Failure to Appear Program**

State of Texas
County of _____

I. PARTIES AND AUTHORITY

This Interlocal Cooperation Contract (Contract) is entered into between the Department of Public Safety of the State of Texas (DPS), an agency of the State of Texas and the _____ Court of the [City or County] of _____ (Court), a political subdivision of the State of Texas, referred to collectively in this Contract as the Parties, under the authority granted in Tex. Transp. Code Chapter 706 and Tex. Gov't Code Chapter 791 (the Interlocal Cooperation Act).

II. BACKGROUND

A peace officer authorized to issue citations within the jurisdiction of the Court must issue a written warning to each person to whom the officer issues a citation for a traffic law violation. This warning must be provided in addition to any other warnings required by law. The warning must state in substance that if the person fails to appear in court for the prosecution of the offense or if the person fails to pay or satisfy a judgment ordering the payment of a fine and cost in the manner ordered by the Court, the person may be denied renewal of the person's driver license.

As permitted under Tex. Transp. Code § 706.008, DPS contracts with a private vendor (Vendor) to provide and establish an automated Failure to Appear (FTA) system that accurately stores information regarding violators subject to the provisions of Tex. Transp. Code Chapter 706. DPS uses the FTA system to properly deny renewal of a driver license to a person who is the subject of an FTA system entry generated from an FTA Report.

An FTA Report is a notice sent by Court requesting a person be denied renewal of a driver's license in accordance with this Contract. The Court may submit an FTA Report to DPS's Vendor if a person fails to appear or fails to pay or satisfy a judgment as required by law. There is no requirement that a criminal warrant be issued in response to the person's failure to appear.

III. PURPOSE

This Contract applies to each FTA Report submitted by the Court to DPS or its Vendor and accepted by DPS or its Vendor.

IV. PERIOD OF PERFORMANCE

This Contract will be effective on the date of execution and terminate five years from that execution date unless terminated earlier in accordance with Section VII.C, *General Terms and Conditions, Termination*.

V. COURT RESPONSIBILITIES

A. FTA Report

For a matter involving any offense which a Court has jurisdiction of under Tex. Code Crim. Proc. Chapter 4, where a person fails to appear for a complaint or citation or fails to pay or

satisfy a judgment ordering payment of a fine and cost in the manner ordered by the Court, the Court will supply DPS, through its Vendor, an FTA report including the information that is necessary to deny renewal of the driver license of that person. The Court must make reasonable efforts to ensure that all FTA Reports are accurate, complete, and non-duplicative. The FTA Report must include the following information:

1. the jurisdiction in which the alleged offense occurred;
2. the name of the court submitting the report;
3. the name, date of birth, and Texas driver license number of the person who failed to appear or failed to pay or satisfy a judgment;
4. the date of the alleged violation;
5. a brief description of the alleged violation;
6. a statement that the person failed to appear or failed to pay or satisfy a judgment as required by law;
7. the date that the person failed to appear or failed to pay or satisfy a judgment; and
8. any other information required by DPS.

B. Clearance Reports

The Court that files the FTA Report has a continuing obligation to review the FTA Report and promptly submit appropriate additional information or reports to the Vendor. The clearance report must identify the person, state whether or not a fee was required, and advise DPS to lift the denial of renewal and state the grounds for the action. All clearance reports must be submitted immediately, but no later than two business days from the time and date that the Court receives appropriate payment or other information that satisfies the person's obligation to that Court.

To the extent that a Court uses the FTA system by submitting an FTA Report, the Court must collect the statutorily required \$10.00 reimbursement fee from the person who failed to appear, pay or satisfy a judgment ordering payment of a fine and cost in the manner ordered by the Court. If the person is acquitted of the underlying offense for which the original FTA Report was filed or found indigent by the court, the Court will not require payment of the reimbursement fee.

Court must submit a clearance report for the following circumstances:

1. the perfection of an appeal of the case for which the warrant of arrest was issued or judgment arose;
2. the dismissal of the charge for which the warrant of arrest was issued or judgment arose;
3. the posting of a bond or the giving of other security to reinstate the charge for which the warrant was issued;
4. the payment or discharge of the fine and cost owed on an outstanding judgment of the Court; or
5. other suitable arrangement to satisfy the fine and cost within the Court's discretion.

After termination of the Contract, the Court has a continuing obligation to report dispositions and collect fees for all violators in the FTA system at the time of termination. Failure to comply with the continuing obligation to report will result in the removal of all outstanding entries of the Court in the FTA Report, resulting in the lifting of any denied driver license renewal status from DPS.

C. Quarterly Reports and Audits

Court must submit quarterly reports to DPS in a format established by DPS.

Court is subject to audit and inspection at any time during normal business hours and at a mutually agreed upon location by the state auditor, DPS, and any other department or agency, responsible for determining that the Parties have complied with the applicable laws. Court must provide all reasonable facilities and assistance for the safe and convenient performance of any audit or inspection.

Court must correct any non-conforming transactions performed by the Court, at its own cost, until acceptable to DPS.

Court must keep all records and documents regarding this Contract for the term of this Contract and for seven years after the termination of this Contract, or until DPS or the State Auditor's Office (SAO) is satisfied that all audit and litigation matters are resolved, whichever period is longer.

D. Accounting Procedures

Court must keep separate, accurate, and complete records of the funds collected and disbursed and must deposit the funds in the appropriate municipal or county treasury. Court may deposit such fees in an interest-bearing account and retain the interest earned on such accounts for the Court.

Court will allocate \$6.00 of each \$10.00 reimbursement fee received for payment to the Vendor and \$4.00 for credit to the general fund of the municipal or county treasury.

E. Non-Waiver of Fees

Court will not waive the \$10.00 reimbursement fee for any person that has been submitted on an FTA Report, unless any of the requirements in Tex. Trans. Code § 706.006(a) or §706.006(d) are met.

Failure to comply with this section will result in: (i) termination of this Contract for cause; and (ii) the removal of all outstanding entries of the Court in the FTA Report, resulting in the lifting of any denied driver license renewal status from DPS.

F. Litigation Notice

The Court must make a good-faith attempt to immediately notify DPS in the event that the Court becomes aware of litigation in which this Contract or Tex. Transp. Code Chapter 706 is subject to constitutional, statutory, or common-law challenge, or is struck down by judicial decision.

VI. DPS's RESPONSIBILITIES

DPS will not continue to deny renewal of the person's driver license after receiving notice from the Court that the FTA Report was submitted in error or has been destroyed in accordance with the Court's record retention policy.

VII. PAYMENTS TO VENDOR

Court must pay the Vendor a fee of \$6.00 per person for each violation that has been reported to the Vendor and for which the Court has subsequently collected the statutorily required \$10.00 reimbursement fee. In the event that the fee has been waived by Tex. Trans. Code § 706.006(a) or §706.006(d), no payment will be made to the Vendor.

Court agrees that payment will be made to the Vendor no later than the last day of the month following the close of the calendar quarter in which the payment was received by the Court.

DPS will not pay Vendor for any fees that should have been submitted by a Court.

VIII. GENERAL TERMS AND CONDITIONS

- A. **Compliance with Law.** This Contract is governed by and construed under and in accordance with the laws of the State of Texas. The Court understands and agrees that it will comply with all local, state, and federal laws in the performance of this Contract, including administrative rules adopted by DPS.
- B. **Notice.** The respective party will send the other party notice as noted in this section. Either party may change its information by giving the other party written notice and the effective date of the change.

Court	Department of Public Safety
Attn.:	Enforcement & Compliance Service
Address:	5805 North Lamar Blvd., Bldg A
Address:	Austin, Texas 78752-0001
Fax:	(512) 424-5311 [fax]
Email:	Driver.Improvement@dps.texas.gov
Phone:	(512) 424-7172

C. Termination.

Either party may terminate this Contract with 30 days' written notice.

DPS may also terminate this Contract for cause if Court doesn't comply with Section V.C., *Quarterly Reports and Audits* and V.E., *Non- Waiver of Fees*.

If either Party is subject to a lack of appropriations that are necessary for that Party's performance of its obligations under this Contract, the Contract is subject to immediate cancellation or termination, without penalty to either Party.

D. Amendments.

This contract may only be amended by mutual written agreement of the Parties.

E. Miscellaneous.

1. The parties shall use the dispute resolution process provided for in Chapter 2260 of the Texas Government Code to resolve any disputes under this Contract; provided

however nothing in this paragraph shall preclude either Party from pursuing any remedies available under Texas law.

2. This Contract shall not constitute or be construed as a waiver of any of the privileges, rights, defenses, remedies, or immunities available to either Party or the State of Texas.
3. Any alterations, additions, or deletions to the terms of the contract that are required by changes in federal or state law or regulations are automatically incorporated into the contract without written amendment hereto, and shall become effective on the date designated by such law or by regulation.

CERTIFICATIONS

The Parties certify that (1) the Contract is authorized by the governing body of each party; (2) the purpose, terms, rights, and duties of the Parties are stated within the Contract; and (3) each party will make payments for the performance of governmental functions or services from current revenues available to the paying party.

The undersigned signatories have full authority to enter into this Contract on behalf of the respective Parties.

Court*

Department of Public Safety

Authorized Signatory

Driver License Division Chief or Designee

Title

Date

Date

*An additional page may be attached if more than one signature is required to execute this Contract on behalf of the Court. Each signature block must contain the person's title and date.

COUNCIL AGENDA ITEM #10

Council Meeting:
February 28, 2024

Originating Dept: Finance

Agenda Item:

Discussion and consideration of action to authorize the City Manager to sign letter from Paul B. Holm & Company, PLLC regarding the Audit.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |



PAUL B. HOLM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. DRAWER C • VICTORIA, TEXAS 77902

February 14, 2024

The Honorable Mayor and
Members of City Council and Management
City of Lacy Lakeview, Texas

We are pleased to confirm our understanding of the services we are to provide the City of Lacy Lakeview, Texas (the "City") for the year ending September 30, 2023. We will audit the financial statements of the governmental activities, the business-type activities, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Lacy Lakeview, Texas as of and for the year ending September 30, 2023. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis
- Budgetary Comparison Schedules
- GASB 68 Pension/TMRS Schedules

We have also been engaged to report on supplementary information other than RSI that accompanies the City's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and will provide an opinion on it in relation to the financial statements as a whole.

- Introductory Section
- Combining Statements



PAUL B. HOLM & COMPANY, PLLC

CERTIFIED PUBLIC ACCOUNTANTS

P.O. DRAWER C • VICTORIA, TEXAS 77902

The Honorable Mayor and
Members of City Council
February 14, 2024
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Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will prepare the financial statements of the City in conformity with U.S. generally accepted accounting principles based on information provided by you. We will also prepare depreciation schedules. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

The Honorable Mayor and
Members of City Council
February 14, 2024
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You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read by only the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Engagement Administration, Fees, and Other

We understand that your employees will prepare certain confirmations we request and will locate any documents selected by us for testing.

The parties to this engagement agree that any dispute that may arise regarding the meaning, performance, or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation upon the written request of any party to the engagement. All mediations initiated as a result of this engagement shall be administered by an independent mediator mutually agreeable to both parties. The results of this mediation shall be binding only upon agreement of each party to be bound. Costs of any mediation proceedings shall be shared equally by both parties.

If a dispute arises out of or relates to this contract or engagement letter, or the obligations of the parties therein, and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by an independent mediator mutually agreeable to both parties before resorting to arbitration, litigation, or some other dispute resolution procedures.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated

The Honorable Mayor and
Members of City Council
February 14, 2024
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fees. We also may issue a separate engagement letter covering the additional services, in the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

We expect to begin our audit during February 2023 and to issue our report no later than the June 2023 City Council meeting, barring any unforeseen delays on the part of the City of Lacy Lakeview, Texas. Christopher Janecek is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will range from \$18,900 to \$20,600. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City of Lacy Lakeview, Texas and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign it and return it to us.

Sincerely,

Paul B. Holm & Co., PLLC

Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the City of Lacy Lakeview, Texas.

By: _____

Title: _____

Date: _____

COUNCIL AGENDA ITEM #11

Council Meeting:
February 28, 2024

Originating Dept: Administration

Agenda Item:

Discussion and consideration of action to authorize the City Manager to enter into a Tax Abatement Agreement with Foamtec International (Located in Reinvestment Zone #2) that would be effective beginning with the 2024 tax year and extend for five (5) years through 2028.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |

TAX ABATEMENT AGREEMENT
(FOAMTEC INTERNATIONAL)

STATE OF TEXAS §
 §
COUNTY OF McLENNAN §

KNOW ALL MEN BY THESE PRESENTS:

THIS **TAX ABATEMENT AGREEMENT** (this “Agreement”) is made and entered into by and between the **CITY OF LACY LAKEVIEW, TEXAS** a municipal corporation and Home-Rule City situated in McLennan County, Texas (the “City”), and **FOAMTEC INTENATIONAL** (the “Owner”), owner of the property made the subject of the tax abatement.

W I T N E S S E T H:

WHEREAS, on the 8th day of March, 2016, the City Council of the City of Lacy Lakeview, Texas, after a duly noticed public hearing, passed Ordinance No. 2016-03, establishing Reinvestment Zone No. 2, City of Lacy Lakeview, Texas, for commercial/industrial tax abatement (the “2016 Ordinance”) as authorized by the Texas Property Redevelopment and Tax Abatement Act, codified in Chapter 312 of the Texas Tax Code (the “Act”); and

WHEREAS, the City adopted the “City of Lacy Lakeview, Texas Tax Abatement-Rebate Policy,” on May 7, 2002 (the “City Guidelines”); and

WHEREAS, after making some minor revisions thereto, the City re-adopted the City Guidelines on June 11, 2002, by Resolution No. 2002-03; and

WHEREAS, after review of the guidelines and making appropriate revisions and updates thereto, the City adopted the 2013 Tax Abatement/Rebate Policy (Guidelines and Criteria) on May 14, 2013, by Resolution No. 2013-05; and

WHEREAS, after creating Reinvestment Zone No. 2, the City re-adopted its Guidelines and Criteria in an open meeting on March 8, 2016 to include Reinvestment Zone No. 2; and

WHEREAS, the City has readopted the its Guidelines and Criteria, as recently as February 2024, which Policy will apply to this Agreement;

WHEREAS, THE City Council recognizes that without the continued reinvestment zone designation the area now designated as Reinvestment Zone No. 2 will continue to impair the sound growth of the City; and

WHEREAS, designation as a reinvestment zone also allows tax abatement/rebate which help the City to continue to maintain and enhance the commercial/industrial, economic, and employment base of the Lacy Lakeview area, expanding primary employment and/or attracting major investment in the zone that would benefit the property and contribute to the economic development of the City, thereby benefiting the City in accordance with the Ordinance and the Act; and

WHEREAS, the contemplated use of the Real Property, the upgrades and enhancements to the Real Property in the amount as set forth in this Agreement and the other terms hereof are consistent with encouraging development of said Reinvestment Zone No. 2 in accordance with the purpose for its creation and are in compliance with the intent of the City and the City's Guidelines and Criteria as set forth in the Tax Abatement/Rebate Policy, the Ordinance and applicable law.

NOW THEREFORE, the Parties hereto do agree as follows:

1. **Authorization.** This Agreement is authorized by (a) Chapter 312 of the Texas Tax Code as it exists on the effective date of this Agreement, and (b) the City Guidelines. The City has determined that the request for tax abatement presented by the Owner conforms to the criteria established in the City's 2024 Tax Abatement/Rebate Policy (Guidelines and Criteria) and the Act.
2. **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:
 - a. "Certified Appraised Value" means the appraised value for property tax purposes, as certified by the McLennan County Appraisal District. Certified Appraised Value does not include the application of any exemptions (such as Agricultural Exemptions) to the appraised value of the property.
 - b. "Base Year Value" means the Certified Appraised Value of the Real Property as rendered in early 2016, preceding the commencement of any construction.
3. **Real Property.** The real property, which is the location of Foamtec International that is the subject of this Agreement, shall be that certain parcel of property with a legal description described in Exhibit "A" attached hereto and incorporated herein located in Lacy Lakeview, McLennan County, Texas (the "Real Property").
4. **Personal Property.** All property, excluding real property and improvements to real property, located at the Real Property and which is subject to assessment for taxation purposes.
5. **Administration of Agreement.** This Agreement shall be administered by the City Manager of the City.
6. **Term.** Unless terminated earlier as provided elsewhere herein, this Agreement shall be effective on January 1, 2024 and shall continue for five (5) years, ending with Tax Year 2028.

7. **Tax Abatement.**

a. Real Property Tax.

Year 1 (2024)	75%
Year 2 (2025)	75%
Year 3 (2026)	75%
Year 4 (2027)	75%
Year 5 (2028)	75%

b. Personal Property Tax.

Year 1 (2024)	75%
Year 2 (2025)	75%
Year 3 (2026)	75%
Year 4 (2027)	75%
Year 5 (2028)	75%

8. **Representations.**

- a. The City represents (i) the Agreement has been created in accordance with Chapter 312 of the Texas Tax Code and the City Guidelines and Criteria as both exist on the effective date of this Agreement; and (ii) that the Real Property within the area is located within the extraterritorial jurisdiction or the corporate limits of the City and within Reinvestment Zone No.2.
- b. The Owner and the City each represent that no interest in the Real Property or Personal Property is held or subleased by the City Manager, a member of the City Council or a member of the Planning Commission of the City.

9. **Access to and Inspection of Property by City Employees.** The Owner shall allow the City's employees access to the property for the purpose of inspecting any upgrades or enhancements made to ensure that such upgrades or enhancements are maintained in accordance with the specifications and conditions of the Agreement. All such inspections shall be made only after giving the Owner three (3) days prior written notice.

10. **Compliance with State and Local Regulations.** Nothing in this Agreement shall be construed to alter or affect the obligations of the Owner to comply with any ordinance, rule, or regulation of the City or laws of the State of Texas or the United States.

11. **Assignment of Agreement.** This Agreement may be assigned by Owner only after written request and receipt of the approval by resolution of the Lacy Lakeview City Council, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Agreement are guaranteed by the execution of a new agreement with the City. No assignment shall be approved if the parties to this Agreement or the new Owner are delinquent past any applicable contest period to any jurisdiction for outstanding taxes or other obligations.

14. **Agreement Approval.** This Agreement is conditioned entirely upon the approval hereof by the City Council by the affirmative vote of a majority of the members present at a regularly scheduled meeting of the City Council.

15. **Notices.** All notice shall be in writing and mailed by certified or registered mail. Any notice of communications shall be deemed to be received three (3) days after the date of deposit in the United States mail. Unless otherwise provided in this Agreement, all notices shall be mailed to the following addresses:

To the Owner:	Foamtec International Attn: Laura Dotson 6575 IH-35 N Waco, Texas 76705
---------------	--

To the City:	City of Lacy Lakeview Post Office Box 154549 Waco, Texas 76715 Attn: City Manager
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Any party may designate a different address by giving the other party ten (10) days' written notice in the manner prescribed above.

16. **Entire Agreement.** This Agreement contains the entire and integrated tax abatement agreement among the parties and supersedes all other negotiations and agreements, whether written or oral.

17. **Counterparts.** This Agreement may be executed in multiple counterparts.

18. **Attorneys' Fees.** The prevailing party in any dispute arising under this Agreement shall be entitled to recover their reasonable attorneys' fees and related costs and expenses.

Signature Page Follows

IN TESTIMONY OF WHICH, THIS AGREEENT has been executed by the City, as authorized by the City Council on the 27th day of February, 2024, AND by the Owner on the _____ day of _____.

FOAMTEC INTERNATIONAL

CITY OF LACY LAKEVIEW

BY:

BY:

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

COMPANY: _____

Date

Executed:

Date

Executed:

ATTEST: _____

ATTEST: _____

BY: _____

BY: CITY SECRETARY

Date Attested: _____

Date Attested: _____

“OWNER”

“CITY”

COUNCIL AGENDA ITEM #12

Council Meeting:
February 28, 2024

Originating Dept: Administration

Agenda Item:

Discussion and consideration of action to authorize the City Manager to enter into a Tax Abatement Agreement with Zink Power, LLC (Located in Reinvestment Zone #1) that would be effective beginning with the 2024 tax year and extend for ten (10) years through 2033.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |

TAX ABATEMENT AGREEMENT – ZINK POWER, LLC

STATE OF TEXAS §
 §
COUNTY OF McLENNAN §

KNOW ALL MEN BY THESE PRESENTS:

THIS TAX ABATEMENT AGREEMENT (this “Agreement”) is made and entered into by and between the **CITY OF LACY LAKEVIEW, TEXAS** a municipal corporation and Home-Rule City situated in McLennan County, Texas (the “City”), and **ZINK POWER, LLC**. (the “Owner”), owner of the property made the subject of the tax abatement.

W I T N E S S E T H:

WHEREAS, on the 11th day of June, 2002, the City Council of the City of Lacy Lakeview, Texas, passed Ordinance No. 2002-05, initially establishing Reinvestment Zone No. 1, City of Lacy Lakeview, Texas, for commercial/industrial tax abatement (the “2002 Ordinance”) as authorized by the Texas Property Redevelopment and Tax Abatement Act, codified in Chapter 312 of the Texas Tax Code (the “Act”);

WHEREAS, the City adopted the “City of Lacy Lakeview, Texas Tax Abatement-Rebate Policy,” on May 7, 2002 (the “City Guidelines”);

WHEREAS, after making some minor revisions thereto, the City re-adopted the City Guidelines on June 11, 2002, by Resolution No. 2002-03;

WHEREAS, on the 14th day of May, 2013, the City Council of the City of Lacy Lakeview, Texas, passed Ordinance No. 2013-03, re-establishing Reinvestment Zone No. 1, City of Lacy Lakeview, Texas, for commercial/industrial tax abatement (the “2013 Ordinance”) as authorized by the Texas Property Redevelopment and Tax Abatement Act, codified in Chapter 312 of the Texas Tax Code (the “Act”);

WHEREAS, after review of the guidelines and making appropriate revisions and updates thereto, the City adopted the 2013 Tax Abatement/Rebate Policy (Guidelines and Criteria) on May 14, 2013, by Resolution No. 2013-05;

WHEREAS, after creating Reinvestment Zone No. 2, the City re-adopted its Guidelines and Criteria in an open meeting on March 8, 2016 for both Reinvestment Zones Nos. 1 and 2; and

WHEREAS, the City has again re-established Reinvestment Zone No. 1 and readopted the its Guidelines and Criteria, as recently as February 2024, which Policy will apply to this Agreement;

WHEREAS, having re-designated the reinvestment zone continues to allow tax abatement/rebate and likely maintain and enhance the commercial/industrial, economic, and employment base of the Lacy Lakeview area, expanding primary employment and/or attracting major investment in the zone that would benefit the property and contribute to the economic development of the City, thereby benefiting the City in accordance with the Ordinance and the Act; and

WHEREAS, the contemplated use of the Real Property, the expected upgrades and enhancements to the Real and Personal Property and the other terms hereof are consistent with encouraging development of said Reinvestment Zone No. 1 in accordance with the purpose for its creation and are in compliance with the intent of and the City's Guidelines and Criteria as set forth in the Tax Abatement/Rebate Policy, the Ordinance and all applicable law;

NOW THEREFORE, the Parties hereto do agree as follows:

1. **Authorization.** This Agreement is authorized by (a) Chapter 312 of the Texas Tax Code as it exists on the effective date of this Agreement, and (b) the City Guidelines. The City has determined that the request for tax abatement presented by the Owner conforms to the criteria established in the City's 2024 Tax Abatement/Rebate Policy (Guidelines and Criteria) and the Act.
2. **Defined Terms.** As used in this Agreement, the following terms shall have the meanings set forth below:
 - a. "Certified Appraisal Value" means the appraised value for property tax purposes, as certified by the McLennan County Appraisal District.
 - b. "Real Property Base Year Value" means the Certified Appraised Value of the Real Property for the 2023 Tax Year.
 - c. "Personal Property Base Year Value" means the Certified Appraised Value of the Personal Property for the 2023 Tax Year.
3. **Real Property.** The real property made the subject of this Agreement and which is the location of the personal property that is also the subject of this Agreement shall be that certain real property located within Lacy Lakeview and more particularly described in Exhibit "A" attached hereto.
4. **Personal Property.** All property, excluding real property, located at the Real Property and which is subject to assessment for taxation purposes.
5. **Administration of Agreement.** This Agreement shall be administered by the City Manager of the City.
6. **Term.** Unless terminated earlier as provided elsewhere herein, this Agreement shall be effective on January 1, 2024 and shall continue for ten (10) years, ending with the Tax Year 2033.
7. **Tax Abatement.**
 - a. **Real Property Tax.** The City and the Owner agree and acknowledge that this Agreement shall provide for tax abatement for the increase in value of the Real Property over the Real Property Base Year Value, under the conditions set forth herein for ten (10) years. There shall be granted and allowed hereunder to the Owner a real property tax abatement of taxes

levied during the term of this Agreement applied against the annual Certified Appraisal Value of the Real Property **in excess of** the current Real Property Base Year Value of the real property in accordance with the following schedule:

Year 1	100%
Year 2	100%
Year 3	80%
Year 4	80%
Year 5	60%
Year 6	40%
Year 7	20%
Year 8	15%
Year 9	15%
Year 10	15%

To be clear, Owner shall continue to be responsible for and pay real property taxes throughout the term of this Agreement on the Real Property Base Year Value.

b. Personal Property Tax. The City and the Owner agree and acknowledge that this Agreement shall provide for tax abatement for the Personal Property, under the conditions set forth herein for ten (10) years. There shall be granted and allowed hereunder to the Owner a personal property tax abatement of taxes levied during the term of this Agreement applied against the annual Certified Appraisal Value of the Personal Property **in excess of** the current Personal Property Base Year Value of the personal property in accordance with the following schedule:

Year 1	100%
Year 2	100%
Year 3	80%
Year 4	80%
Year 5	60%
Year 6	40%
Year 7	20%
Year 8	15%
Year 9	15%
Year 10	15%

To be clear, Owner shall continue to be responsible for and pay personal property taxes throughout the term of this Agreement on the Personal Property Base Year Value.

8. **Representations.**

- a. .
 - b. The City represents (i) the Agreement has been created in accordance with Chapter 312 of the Texas Tax Code and the City Guidelines and Criteria as both exist on the effective date of this Agreement; and (ii) that the Real Property within the area is located within the extraterritorial jurisdiction or the corporate limits of the City and within Reinvestment Zone No.1.
 - c. The Owner and the City each represent that no interest in the Real Property or Personal Property is held or subleased by the City Manager, a member of the City Council or a member of the Planning Commission of the City.
8. **Access to and Inspection of Property by City Employees; Financial Verification.** The Owner shall allow the City's employees access to the property for the purpose of inspecting any upgrades or enhancements made to ensure that such upgrades or enhancements are maintained in accordance with the specifications and conditions of the Agreement and to ensure that all terms and conditions of this Agreement are being met. All such inspections shall be made only after giving the Owner three (3) days prior written notice and shall be conducted in such manner as to not interfere with the construction and/or operation of the Improvements. All such inspections shall be made not more than one time in a calendar year with one (1) or more representatives of the Owner and in accordance with all applicable safety standards. The City shall also, prior to granting a tax abatement for any given year, have the right to review the Owner's financial statements for each year during the term of this Agreement, but shall not have the right to change the tax abatement hereunder regardless of the results of such review.
9. **Default.**
- a. The City Manager may declare a default hereunder if the Owner (i) violates any of the terms and conditions of the Agreement in any material respect and such material default is not cured within the notice and cure period contemplated in Paragraph 9b below; or (ii) allows any ad valorem taxes owed to the City to become delinquent; fails to timely and properly follow the legal procedures for their protest and consent; and such delinquency continues after the notice and cure period contemplated in Paragraph 9b below. If the City Manager declares a default of the Agreement, this Agreement shall terminate (after notice and opportunity to cure as provided for herein), and the City, in such event, shall be entitled to recapture any property tax, with interest as provided for delinquent taxes in the Texas

Property Tax Code, which has been abated as a result of this Agreement after the default.

- b. The City Manager shall notify the Owner of any default in writing in the manner prescribed herein. The notice shall specify the basis for the declaration of the default, and the Owner shall have thirty (30) days from the date of such notice to cure any default (except where fulfillment of any obligation requires activity over a period of time, performance shall commence within thirty (30) days after the receipt of notice and such performance shall be diligently continued until the default is cured).
- 10. **Certification.** On or before the 1st day of June of each calendar year during the term of this Agreement, the Owner must provide annual certification to the City Manager certifying that the Owner is in compliance with each applicable term of this Agreement.
- 11. **Compliance with State and Local Regulations.** Nothing in this Agreement shall be construed to alter or affect the obligations of the Owner to comply with any ordinance, rule, or regulation of the City or laws of the State of Texas or the United States.
- 12. **Assignment of Agreement.** This Agreement may be assigned by Owner only after written request and receipt of the approval by resolution of the Lacy Lakeview City Council, subject to the financial capacity of the assignee and provided that all conditions and obligations in the Agreement are guaranteed by the execution of a new agreement with the City. No assignment shall be approved if the parties to this Agreement or the new Owner are delinquent past any applicable contest period to any jurisdiction for outstanding taxes or other obligations.
- 13. **Agreement Approval.** This Agreement is conditioned entirely upon the approval hereof by the City Council by the affirmative vote of a majority of the members present at a regularly scheduled meeting of the City Council.
- 14. **Notices.** All notice shall be in writing and mailed by certified or registered mail. Any notice of communications shall be deemed to be received three (3) days after the date of deposit in the United States mail. Unless otherwise provided in this Agreement, all notices shall be mailed to the following addresses:

To the Owner:

Zink Power, LLC

Attn: _____

To the City:

City of Lacy Lakeview
Post Office Box 154549
Waco, Texas 76715
Attn: City Manager

Any party may designate a different address by giving the other party ten (10) days' written notice in the manner prescribed above.

15. **Entire Agreement.** This Agreement contains the entire and integrated tax abatement agreement among the parties and supersedes all other negotiations and agreements, whether written or oral.
16. **Counterparts.** This Agreement may be executed in multiple counterparts.
17. **Attorneys' Fees.** The prevailing party in any dispute arising under this Agreement shall be entitled to recover their reasonable attorneys' fees and related costs and expenses.

Signature Page Follows

IN TESTIMONY OF WHICH, THIS AGREEMENT has been executed by the City, as authorized by the City Council on the 27th day of February, 2024, AND by the Owner on the _____ day of _____, and is effective upon the execution by both parties hereto.

ZINK POWER, LLC.

CITY OF LACY LAKEVIEW

BY:

BY:

NAME: _____

NAME: _____

TITLE: _____

TITLE: City Manager

COMPANY: _____

Date

Executed: _____

Date

Executed: _____

ATTEST: _____

BY: CITY SECRETARY

ATTEST: _____

BY: _____

Date Attested: _____

Date Attested: _____

COUNCIL AGENDA ITEM #13

Council Meeting:
February 28, 2024

Originating Dept: Administration

Agenda Item:

Discussion and consideration of an action to approve Resolution 2024-05 authorizing the City Manager to enter into an Interlocal Agreement with McLennan County for blading in Hot Mix for leveling and repairing of existing Spring Lake Road;

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING SPRING LAKE ROAD.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input checked="" type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |

City of Lacy Lakeview

RESOLUTION NO. 2024-05

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW
ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE
CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING SPRING
LAKE ROAD**

WHEREAS, The City Council for the City of Lacy Lakeview finds that it is a Home Rule governmental body with the authority under the Laws and Constitution of Texas to create and enter into an interlocal agreement; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that the public road of Spring Lake Road within the city limits and/or ETJ of Lacy Lakeview is in need of repairs and that it is in the public interest of the citizens of the City of Lacy Lakeview for the City of Lacy Lakeview to make such repairs; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that McLennan County is a governmental body with the authority under the Texas Constitution and Texas Local Government Code to create and enter into an interlocal; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that an estimated cost sent by McLennan County, attached and incorporated to this resolution as Exhibit A, offering to fix the public road of Spring Lake Road is reasonable and approval of this expenditure is in the interest of the City of Lacy Lakeview.

NOW THEREFORE, be it hereby Resolved by the City Council of the City of Lacy Lakeview of McLennan County Texas, that:

- (1) The City of Lacy Lakeview accepts and approves the interlocal agreement with McLennan County according to the terms of Exhibit "A"
- (2) The Mayor of Lacy Lakeview is hereby authorized to execute the Interlocal Agreement on behalf of the City of Lacy Lakeview in accordance with the agreed terms reflected in Exhibit "A" attached hereto.

RESOLVED, PASSED AND APPROVED by the City Council on this, the 27th day of February, 2024.

CITY OF LACY LAKEVIEW:

**By: _____
Its Mayor**

Attest:

City Secretary

EXHIBIT A

Blading in Hot Mix for leveling and repairing the .28 mile of Spring Lake Road:

Material	325 tons	\$25,025
Equipment	grader	\$ 1,342
	roller	\$ 513
	dump trucks	\$ 640
	sign trucks	\$ 152
Labor		<u>\$ 3,912</u>
	Quote	\$31,584

COUNCIL AGENDA ITEM #14

Council Meeting:
February 28, 2024

Originating Dept: Administration

Agenda Item:

Discussion and consideration of an action regarding Resolution 2024-06 authorizing the City Manager to enter into an Interlocal Agreement with McLennan County for total reclamation and rebuild of existing Old Central Road;

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING OLD CENTRAL ROAD.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input checked="" type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |

City of Lacy Lakeview

RESOLUTION NO. 2024-06

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LACY LAKEVIEW
ACCEPTING AND APPROVING AN INTERLOCAL AGREEMENT BETWEEN THE
CITY OF LACY LAKEVIEW AND MCLENNAN COUNTY REGARDING OLD
CENTRAL ROAD**

WHEREAS, The City Council for the City of Lacy Lakeview finds that it is a Home Rule governmental body with the authority under the Laws and Constitution of Texas to create and enter into an interlocal agreement; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that the public road of Old Central Road within the city limits and/or ETJ of Lacy Lakeview is in need of repairs and that it is in the public interest of the citizens of the City of Lacy Lakeview for the City of Lacy Lakeview to make such repairs; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that McLennan County is a governmental body with the authority under the Texas Constitution and Texas Local Government Code to create and enter into an interlocal; and

WHEREAS, The City Council for the City of Lacy Lakeview finds that an estimated cost sent by McLennan County, attached and incorporated to this resolution as Exhibit A, offering to fix the public road of Old Central Road is reasonable and approval of this expenditure is in the interest of the City of Lacy Lakeview.

NOW THEREFORE, be it hereby Resolved by the City Council of the City of Lacy Lakeview of McLennan County Texas, that:

- (1) The City of Lacy Lakeview accepts and approves the interlocal agreement with McLennan County according to the terms of Exhibit "A"
- (2) The Mayor of Lacy Lakeview is hereby authorized to execute the Interlocal Agreement on behalf of the City of Lacy Lakeview in accordance with the agreed terms reflected in Exhibit "A" attached hereto.

RESOLVED, PASSED AND APPROVED by the City Council on this, the 27th day of February, 2024.

CITY OF LACY LAKEVIEW:

**By: _____
Its Mayor**

Attest:

City Secretary

EXHIBIT A

Total reclamation and rebuild of existing Old Central Road in Lacy Lakeview.

Material	3200 ton flex	\$53,600
	CRS-2 emulsion	\$13,000
	Grade 4 rock	\$ 9,121
Equipment	lease of Bomag	\$ 7,500
	graders	\$11,741
	water truck	\$ 2,854
	rollers	\$ 7,026
	broom	\$ 373
	chip spreader	\$ 661
	tandems	\$ 1,568
	loaders	\$ 2,638
	oil truck	\$ 890
Labor		<u>\$ 8,577</u>
		\$119,549

COUNCIL AGENDA ITEM #15

Council Meeting:
February 28, 2024

Originating Dept: Administration

Agenda Item:

Discussion and consideration of motion, if any, regarding matters discussed in Executive Session.

Action:

- | | |
|---|--|
| <input type="checkbox"/> Work Session | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Recognition | <input type="checkbox"/> Resolution |
| <input type="checkbox"/> Public Hearing | <input checked="" type="checkbox"/> Motion/Order |
| <input type="checkbox"/> Special Presentation | <input type="checkbox"/> Other |