

COLIN BAENZIGER  ASSOCIATES

EXECUTIVE RECRUITING

Craig Lonon

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Resume

SUMMARY

More than 30 years of local government experience with expertise in the following areas:

- Operations and Project Management
- Labor Relations
- Customer Service
- Organizational Change and Development
- Economic Development
- Conflict Management
- Strategic Planning & Operations Analysis
- Fiscal Operations and Budget
- Program Design and Implementation
- Media Relations
- Community Redevelopment
- Team Building

An innovative leader with demonstrated organizational, analytical and communications skills. Experienced in managing change and well versed in privatization. Results-oriented with foresight: a dedicated team player who is able to work independently within the organizational framework.

LOCAL GOVERNMENT EXPERIENCE

City Manager, City of Harlingen, Texas (Retired)

2006-2009

Harlingen is a city of 75,000 located in the Rio Grand Valley in south Texas with 550 employees and an annual operating budget of \$92.9 million. Harlingen is a full service city with police, fire, sanitation, public works, library, health, leisure services, planning and zoning, 4A & 4B sales tax corporations and an airport with daily service from Southwest and Continental Airlines. Major achievements:

- Development and implementation of the city's first CIP,
- Implementation of voter approved single member district plan,
- Negotiated the city's first collective bargaining agreements,
- Implemented a program to annually improve 7% of city streets,
- Development and implementation of the Harlingen 100 strategic plan,
- Consolidation of two Economic Development operations for half the cost,
- Survival and repair of Hurricane Dolly damage,
- Voter approval of 4B sales tax,
- Negotiated with a Fortune 25 Company to create 700+ new jobs,
- Implemented a stalled bond program,
- Constructed a new Police Station, Fire Station and soccer complex,
- Implemented a performance based compensation and classification system,
- Implemented a new retirement system for employees hired after 10/1/07,
- Lowered the tax rate,
- Replaced of several key Department Heads for improved operations.

City Manager, City of Cedar Park, Texas

2004-2005 Cedar Park

is a fast growing community located on the northwest side of Austin, Texas with 300 employees and a \$55million annual budget. The city has issued nearly1000 single-family residential building permits each year since 1994. Cedar Park is a full service city, operations include police, fire, library, leisure services, planning and zoning, public works, sanitation, water and wastewater operations, and 4A & 4B sales tax corporations. Major achievements:

- Investigation and a plea bargain of a corrupt Mayor,
- Failure to negotiate a hockey arena management deal,
- Replaced several key employees to improve operations,
- Negotiated a town center site with a developer,
- Recruited a hospital to the city,
- Implemented a city staffed Economic Development operation,
- Implemented a city staffed Visitor's and Convention Bureau,
- Negotiated right of way and use agreements of the Highway183 toll road,
- Implemented a central city communications operation.

City Administrator, City of Conroe, Texas

1993-2004

Conroe is located just north of Houston, has 400 employees and an annual budget of \$50.0 million. Conroe is a full service city; operations include civil service police and fire operations, sanitation, leisure services, planning, public works, water and wastewater operations, and community development. Major accomplishments include:

- Construction of three new major wastewater trunk systems,
- Construction of millions of dollars of water system improvements,
- Implemented of a performance based classification and compensation system,
- Revitalized downtown both aesthetically and with retail business development,
- Replaced a majority of the Department Heads for improved operations,
- Implemented an annual street improvement program,
- Revitalized every city park and built a new major athletic complex and amphitheater,
- Implemented 4B sales tax and Economic Development operations,
- Constructed new fire stations, a police station, service center, and city hall,
- Recruited numerous businesses and industries to Conroe,
- Expanded the city limits numerous times through annexations,
- Implemented a road TIRZ project to fund major road improvements.

City Manager, City of Corsicana, Tx.

1981-1993

Corsicana is a full service city of 25,000 located 55 miles south of Dallas. The list of achievements is as long as my tenure there, 11+ years and can be provided upon request.

City Manager, City of Levelland, Tx

1979-1981

Levelland is a full service city of 14,000 located in west Texas, 30 miles west of Lubbock. A list of achievements can be provided upon request.

City Administrator, City of DeSoto, Tx

1977-1979

I was assigned to the City Manager for coordination of community based studies, special projects and management plans including the drafting of final reports. I served as liaison to City Council and Department Heads. At the time DeSoto was a fast growing city in the Dallas/Fort Worth Metroplex.

EDUCATION

Master of Public Administration-University of North Texas

B.A. Political Science-University of Texas at Arlington

PROFESSIONAL ASSOCIATIONS

- Texas City Management Association – Past President
- International City Management Association
- Region 10 – Texas City Management Association Past President

CIVIC AFFILIATIONS

- Harlingen Airport Board – Ex-Officio Member (2006-2009)
- Harlingen Utility Board – Ex-Officio Member (2006-2009)
- Past Member Cedar Park Chamber Board Member
- Past Member Greater Conroe/Lake Conroe Area Chamber Board
- 1999 Conroe Chamber Lobsterfest Chairman
- 1999 Montgomery County United Way Golf Chairman
- Leadership Montgomery County Board 1995-2001

SPECIAL RECOGNITIONS

- President Texas City Management Association 2004-05
- Texas City Management Association- Lifetime Achievement Award
- 1991 Chamber Achievement Award - Corsicana
- 1988 Arthur J. Keeney Industrial Development Award

CB&A Interview

Craig Lonon

Education

MPA, University of North Texas
BA, Political Science, University of Texas, Arlington TX

Experience

City Manager, Harlingen, TX (<i>Retired</i>)	2006 – 2009
City Manager, Cedar Park, TX	2004 – 2005
City Administrator, Conroe, TX	1993 – 2004
City Manager, Corsicana, TX	1981 – 1993
City Manager, Levelland, TX	1979 – 1981
City Administrator, DeSoto, TX	1977 – 1979

Background

The population of Harlingen, Texas is 75,000. The city government employs about 550 people. Mr. Lonon directly supervised 12 personnel. The general fund was about \$43 million with a total budget of \$93 million. The three most important issues currently facing Elmira are:

- Poor infrastructure. Prior to the economic downturn, the City had ceased funding street improvements. At least 6% of the streets should be addressed annually. As a result, roads and major streets are in very poor condition with many potholes;
- Downtown aesthetics. Harlingen’s downtown has become shabby. The visual appearance of two large buildings is poor. To improve the downtown, local developers were persuaded to purchase the properties and redevelop them as rental units with restaurants and offices at street level. Similar agreements are needed in the same area. Efforts are being made to solve the issue but much needs to be done; and
- Economic development and job creation. The City courted and landed Bass Pro, a major retailer, but more needs to be done to created revenue and jobs.

Interview Comments

Mr. Lonon is excited about the idea of working in Key West. The City is ideal for him because he loves islands, island communities, and warm weather. He appreciates the tourism industry and knows it is a major factor in Key West. In contrast with metropolitan areas which spread far beyond the city limits, islanders tend to live closer together, are very involved in their local government and care deeply about their city. Mr. Lonon has been a City Manager for 30 years and, after experiencing retirement for a few years, he is ready to serve a community again. He lives near South Padre Island, TX, and recently visited St. Thomas and was inspired by the island society he found there. Hence, he feels Key West is the perfect location for Mr. Lonon.

Mr. Lonon’s management style is flexible. He is involved and his approach ranges from democratic to autocratic depending on the nature and urgency of the situation and the staff.

Craig Lonon

When dealing with competent, capable employees, he prefers to delegate as much as is reasonable and encourage their involvement in the decision making. If managing new employees with less experience, or those who need more help to accomplish their goals, he tends to be more autocratic will assist with some of the smaller decisions. He feels it is important that he adjust his style to the organization's needs.

If asked, Mr. Lonon's staff would say he is the best manager they have ever worked for. He has always received very good feedback from them. He mentored and challenged them in their careers, and they miss him. Local elected officials who worked closely with Mr. Lonon would say he is competent and knowledgeable. He managed the organization firmly and effectively. His focus was on what was best for the City and he did not let personal agendas influence his decision making.

Mr. Lonon's many strengths include listening carefully and asking many questions. He has been a City Manager since 1977 and loves the work. When hiring, he selects the best people he can find. Many of them are still working for the same organizations and continue to perform well. In his many years of city management, he has seen and dealt with just about every issue a city can face.

If Mr. Lonon has a weakness, it would be his perfectionism. Mr. Lonon sets high expectations for himself and his staff. He may look so closely and critically for what he and his staff may have been missed that he occasionally forgets to acknowledge what has been accomplished. One example was the unveiling of a very successful new park project. At the opening ceremony, he noticed the park was missing 10 feet of sidewalk. He was concerned, but his announcer reminded everyone of what a huge undertaking it had been and what a great achievement the park was. He welcomes reminders of success – they keep his perfectionism in check and allow him to enjoy a project's completion.

Mr. Lonon measures performance using a method he calls areas of focus. His employees know how to run a department. City officials often change goals and in response, he simply assigns the new goals to his team members and monitors the progress towards meeting those goals. Each assignment is informally labeled an area of focus. If he does not observe progress, he calls a staff meeting or individual conference and discusses the obstacles they face and how to overcome them. He keeps the current goals in his desk's top drawer for quick reference. Over the years, he has learned if he follows this simple procedure, his departments have no problems accomplishing their goals, whether major or minor.

One particular achievement he is proud of occurred in Harlingen. At the time the City suffered from sluggish economic development. What is needed was guidance and leadership. The City funded both a City Chamber of Commerce and a Hispanic Chamber of Commerce and that was fine while the economy was good. When the recession hit, it was not. His efforts met with political opposition, as the Hispanic chamber had very little other funding but no other options were available. The approval and implementation took approximately a year, and Mr. Lonon

Craig Lonon

brought in people from public economic development in other communities to help. In the end, everyone benefited and economic development got back on track.

Another major success was getting the City Commission to allocate funds so about 7% of the streets in Harlingen could be upgraded each year. Getting the funding committed was difficult. Mr. Lonon's approach was to get everyone to agree to the concept and then to agree which streets needed to be repaired. Once that happened, it was relatively easy to get the necessary funds approved. He prefers 3 to 5 year plans so the City always has a vision of where it will be in the future.

Another triumph occurred when Mr. Lonon was the City Manager in Conroe, Texas. He managed to build three major sewer lines and spent almost \$40 million on the construction of water lines. Infrastructure and maintenance are very important to Mr. Lonon because that is the basis for economic development.

Mr. Lonon has one major regret concerning a project he oversaw while he was the City Manager of Corsicana, Texas. In Corsicana, private property can be condemned for eminent domain if the property is needed for safety reasons or the city's greater good. One property was obtained for the purpose of building a new water intake structure and a pipeline from one lake to another. The project had already commenced when the decision to obtain the property was successfully appealed. The City lost the value of the land (\$2.2 million). The decision to construct the intake tower was appropriate, but the error was moving too quickly with the construction. The City made the decision too hastily, when waiting would have been wiser. The local government was too excited and eager to finish the task and moved forward too quickly. Mr. Lonon learned from this mistake to be much more careful with new projects. For example on a subsequent project, a water line was needed. This time he took more time and did more research. He found that the road the line would pass under also needed widening. By applying longer term thinking, he managed to complete both projects on the road at the same time and saved the City a great deal of money.

When asked, Mr. Lonon noted he has not felt the need to fire very many people, but he knows that sometimes terminating employment is necessary. One may feel terrible about the individual, but if a person is not doing the job, something has to be done. People usually resign of their own accord after several corrective meetings with management. Mr. Lonon provides them achievable goals, sufficient chances, and reasonable warnings. If they are not willing or able to do the job properly, that employee must move on, and he is prepared to do what is necessary to facilitate their departure.

Mr. Lonon feels the primary issues and challenges facing Key West's next City Manager are:

- Sustainability, since Key West has a no space to grow;
- Revenue. Costs of services increase, but raising taxes is difficult given the opposition from citizens. Services must continue however so developing innovative methods of obtaining revenue becomes a top priority; and

Craig Lonon

- Infrastructure. He is aware of the island's need to rebuild its main thoroughfare.

If chosen as the next Key West City Manager, in his first six months Mr. Lonon would:

- Get an understanding of the Commissioner's goals;
- Learn where every dollar comes from and where it goes;
- Read every document that involves the City agreements;
- Review operations and sustainability reports;
- Immerse himself in the community; and
- Become involved in the Chamber of Commerce, city events, and community clubs.

Although he is accustomed to working long hours, he plans to be extra busy during his first year. In Key West residents live, work, and stay there. He appreciates this and plans to become very involved in the community. He knows will take much more than six months to really get a feel for the community.

Mr. Lonon gets along with the media very well. He treats them with considerable respect. He shares any information he can and has nothing to hide from the newspapers or television reporters. He makes himself available if journalists seek him out, but if they also have some extra space, he will make an extra effort to give them friendly material.

In his spare time, Mr. Lonon loves the beach and playing golf.

If his former communities become aware he is a finalist in the Key West City Manager search, Mr. Lonon expects very good feedback from activists and reporters. Harlingen has one particularly fierce blog - not a news media blog - that is predominantly negative about everything.

In terms of embarrassing situations, Mr. Lonon wants to be certain the City is aware that he also left the Cedar Park, Texas position early. He was hired in the middle of a large, controversial, and very expensive development project. Also, the Mayor had to resign do to an ethical breach and pled guilty to a criminal charge. A new Mayor was appointed but quickly alienated the rest of the Commission. So it changed to someone else. At about this time, the Commission began to split on the issue of building the rink. Some calculations suggested it might not be as profitable as originally predicted and others suggested the rink could lose \$2 million annually. A decision was made to place the rink construction project on the ballot at the next election. The rink project passed, a new mayor was elected, and every seat on the Commission changed. The new commission was quickly educated about the rink project problems. The new Commission was not familiar with the history of the project and the situation got very messy. In August 2005, Commission voted 3 to 2 to fire Mr. Lonon.

Craig Lonon

Words or phrases Mr. Lonon uses to describe himself:

- High-energy,
- Aggressive,
- Competent and knowledgeable,
- Enjoy life and have a good time,
- Good listener, and
- Gives 100% to his community.

Reason for Leaving Current Position:

Although greatly appreciated by the previous Commission, Mr. Lonon was fired when a new City Commission took office. In fact, after the election, every City Commissioner changed, and the new commission members voted him out.

Most Recent Salary:

\$140,000

Interviewer's Impressions:

Professional, competent, and ethical. Pragmatic and reasonable. Dedicated and goes the extra mile.

Interviewed by: Mary Williams, Colin Baenziger & Associates

Candidate Response to Requested Questions

Craig Lonon—Key West Candidate Questions (KWCQ)

- 1. Describe your experience in finance, budgeting, cost control, infrastructure and maintaining an efficient organization. As part of your answer, describe the approach you would take to evaluating our organization to insure it is operating as efficiently and effectively as possible.**

I would describe myself as “hands on” when it comes to all aspects of city government finance and budgeting. I need to understand where all the money comes from and how it is spent. Initially, I will spend a great deal of time understanding each line item in each of the departmental budgets as well as each revenue source. Monthly I study our financial reports to monitor our progress and status and recommend adjustments in operations, if necessary.

I have 30+ years of controlling costs, comparing services and increasing efficiencies in local government. I ask a lot of questions, I talk to staff about costs and efficiencies. I discuss alternative service deliveries and challenge the staff to increase efficiencies. I talk to other City Managers about service delivery in their communities. I evaluate services regularly.

I am really good at developing and funding Capital Improvement Plans and building/rebuilding infrastructure. By April 1993 Conroe had outgrown all of its public buildings, needed to expand fire protection to the west side of the City, needed new parks, the existing parks needed renovations, needed major water and wastewater system improvements and streets needed major maintenance. We systematically addressed each issue and completed the work during my time there.

When I left Conroe, it had the best streets in the Houston area. In Harlingen we implemented and funded a plan to improve 7% of the streets annually. Today Harlingen has the best streets in the South Texas. We have used a number of public/private partnerships, tax increment reinvestment zones and state and federal grants to increase funding opportunities for public infrastructure.

Conroe and Harlingen downtown appearances were improved dramatically during my time in both communities. In Harlingen I helped negotiate an agreement with a developer to renovate a 72,000 square foot building into a mixed use development. In Conroe we acquired storefront easements to improve the appearance of downtown buildings as well as installation of a street lighting and sidewalk improvements in addition to the new downtown park and entertainment venue.

- 2. Describe your experience with sustainable communities and a tourism based economy.**

I have heard it said that, sustainability is what we own the next generation. If your definition of sustainability includes **economic, social and environmental concerns** then you pretty well cover the gamut of sustainability. As for **economic sustainability**, the cost of local government service is a sustainability issue. With labor and benefit costs gobbling up most of the General

Fund, reducing the cost of programs and services improves the city's economic position. I monitor costs of service, I know within certain ranges what costs should be and what service levels we should be able to provide. In Harlingen we changed our retirement system from a defined benefit program to a defined contribution program for employees hired after 10/1/07. This change allowed us to begin the process of eliminating unfunded pension liabilities. We implemented a performance based pay system and consolidated two Economic Development operations. All of these items improved the financial sustainability of Harlingen.

From an **environmental and social sustainability** perspective, we implemented voluntary recycling in Conroe, improved energy efficiency in our buildings in Conroe and Harlingen, as well as replaced traffic signal lighting to significantly reduce energy costs. In our new Police Station we considered LEED certification design standards, but we elected against certification and implemented many of the energy efficiencies recommended for LEED certified projects.

Obviously, local governments must balance the bottom line of planet, needs and costs in deciding to implement environmental sustainability issues. We studied the possibility of changing our sanitation fleet from gas and diesel to Compressed Natural Gas (CNG). After spending time studying the changes made by the City of San Antonio Sanitation Department, we elected to wait for further improvements to CNG engine conversions, fueling stations, and evolution of new diesel engines. We have installed solar lighting in our library parking lot and one of our entry signs. Typically we have allowed the project to drive the specific decision.

Both Conroe and Harlingen were supported by tourism. Conroe billed itself as Houston's playground. Much of our tourism efforts we aimed at the Houston market, we were very successful. People came to play at Lake Conroe on the weekends and eventually moved to the community.

Harlingen is very dependent on "Winter Texans". We have been very successful in securing winter Texans who live, play and shop in Harlingen from mid- November to mid- April every year. Southwest, Continental and Sun Country Airlines serve the Harlingen Airport.

3. Significant weather events occur from time to time in Key West. Describe your experience preparing for and dealing with the aftermath of storm events and /or natural disasters.

I am very well trained in disaster planning and remediation. The communities I have served have experienced a hurricane, tornadoes, floods and ice storms.

Harlingen received a direct hit from Hurricane Dolly on July 23, 2008. Hurricane Dolly had reached Category 2 status, but had dropped to Category 1 just before landfall with 85mph winds. We experienced damages to city buildings, substantial disruption of electrical services, flooding

from 14 inches of rain, brush and debris scattered throughout the community. The City spent \$1.0 million removing brush and debris from the community. After hauling off all debris, repairing damaged buildings and facilities we spent only \$50,000 after insurance and FEMA reimbursements to put the city back in shape. Activities included preparing for the hurricane, filling and distribution of sand bags, evacuation of immobile citizens, operation of a shelter, responding to emergencies before, during and after the event, restoring the community, and completion and filing of all paperwork to secure reimbursements. Our response was a team effort by our senior staff.

We have experienced preparation and planning for other hurricanes in Harlingen, but fortunately those hurricanes/tropical storms turned either into Mexico or hit other parts of the Gulf Coast or dissipated.

In Conroe we had tornadoes, a major ice storm and three 100 year floods (1996, 1998 and 2001). With tornadoes, we typically had small portions of the community damaged and experienced electrical outages. With the ice storm we have significant electrical outages, shelter needs and damaged trees. With the floods, we had electrical outages, a sewer plant destroyed, neighborhoods isolated and houses damaged or destroyed.

In Corsicana we had tornadoes, minor floods and a major ice storm.

I don't want to appear calloused, but disaster planning and preparation has always been a part of the City Management function and I have participated in my share of natural disasters. To date Hurricane Dolly was probably the most damaging disaster that I have experienced. It takes a team effort and I anticipate that Key West already has a strong team and my participation will only add to the team strength.

4. Describe your experience building effective teams, facilitating consensus, and bargaining with unions.

Armed with high energy, years of experience in managing city operations, my management style and good listening skills, I build **effective management teams**. I am a high energy person. I have a passion for local government service. Basically my high energy is contagious. If an employee doesn't get caught up in the high energy and passion for service, then maybe that employee needs to find work elsewhere.

I know how to manage day to day operations of a community; it has been my passion for 30+ years. I have worked in several communities and have been successful. It is not my first rodeo.

My management style ranges from almost democratic to autocratic. Department Heads that know their business will be given general guidance to accomplish City goals and those Department Heads (though monitored regularly) will determine the best ways to accomplish the end result, almost democratic. For less competent Department Heads, I am capable of making all their decisions, autocratic. Usually after a short time those people find work elsewhere.

Additionally, I am a good listener; I ask a lot of question, I value other's opinions. I have built very successful management teams with my high energy, knowledge, listening and a flexible management style.

Being a good listener, having a vast and varied career and experience in municipal government a have often helped with **facilitating a consensus**. Basically you start with the points you agree upon and negotiate and prioritize the remaining points. Sometime you might need to call on others from different jurisdictions to give testimonials/experiences. Time, patience, knowledge and experience are very helpful in building consensus.

In Harlingen I reviewed and recommended consolidation of our Economic Development efforts in spite of financial and staffing consequences to both Chambers of Commerce. The consensus building process took several months to accomplish and I certainly would need more than 500 words to explain. The net result was a highly effective economic development effort that recruited over 2,000 jobs and reduced operational costs by over \$700,000 a year.

I have limited experience in **collective bargaining**. I headed the City of Harlingen teams that negotiated its first three year collective bargaining agreement with our Police and Fire Unions. Both unions and the City Commission were satisfied/pleased with the results. Again, local government experience, knowledge, patience and my listening skills were very valuable in these negotiations.

5. Key West prides itself on its diversity and its accepting attitude toward all groups. Describe your experience in encouraging diversity within your organization and working with diverse community groups. What role do you intend to play in the Key West community?

I embrace Key West's motto of "one Human Family" and its live and let live tolerance. As for encouraging diversity in the workplace, my past focus has concentrated on developing a workforce that mirrors the population of the community in gender and ethnicity.

In Texas Police and Fire civil service statutes hampered our successes in spite of outreach programs to increase the pool of applicants. Texas laws establish rankings based on test scores and the requirement that top scorers be hired/promoted or removed from the eligibility list before considering applicants with lower scores. Larger applicant pools improved our diversity marginally.

For the remainder of the workforce we improved our gender and ethnicity makeup. However my philosophy regarding the organization is to hire the best candidate possible that the city can afford, regardless of the individuals lifestyle or any other characteristic. I want people that can produce results for the organization. Over the years I have developed the skill of recognizing talent. I hire talented individuals. Talent does not wear out.

In Harlingen our homeless shelter and its job center (Loaves and Fishes) wanted to expand. They purchased certain properties in the community on one of the main roadways in the community. The properties were not conducive to their needs. The properties had no parking for staff/volunteers and limited expansion capabilities. Loaves and Fishes bought the properties because of their price.

Community leadership found a better suited facility with parking and expansion capabilities. Unfortunately, Loaves and Fishes financial resources were tied up in the other purchases. The City stepped forward and agreed to buy the recently purchased buildings and provide additional funding for renovations to help move the project forward. In the end, the City found another buyer for the Loaves and Fishes Buildings, other donors were identified to help with the renovations and city financial exposure was limited to about 20% of the amount we anticipated when we first agreed to get involved.

I plan to have a very active role in the community. I certainly like the idea of a captive citizenry. People notice city services daily. They can provide immediate feedback. Though Conroe is far from a captive citizenry, people lived there, worked there and participated in most business and social events. The volunteer spirit was alive and well in Conroe and I expect that same spirit exists in Key West.

You will see me at many events; most Chamber functions and occasionally you will see me volunteer to support various groups/events. Typically you will see me at functions involving the business community. I need to know how the business community is affected by the economy and by actions of the City. I enjoy participating in the community. Typically I introduce myself as "Craig with the City". In the past I included my office, home and cell phone numbers on my business card.

6. From your research and knowledge of Key West, what do you believe are the four biggest challenges facing the community in the next four years? Have you faced similar challenges your prior employment experience, and how might they assist you in developing strategies to successfully respond to those challenges?

I believe the four biggest challenges facing Key West in the next four years are financial sustainability, economic diversification, enhancing community appearance and traffic flow during the reconstruction of N. Roosevelt.

Key West population has remained fairly constant for the last 40 years. Like most cities, Key West is in the service industry. Services are provided by employees and the cost of employees and employee benefits are major expenditure drivers in the city budget. Tourism is the primary industry in Key West. Finding ways to increase revenues and containing costs will help the community with **financial sustainability**. I have extensive experience in increasing efficiencies and reducing costs. I will use that experience to evaluate city operations and costs.

Enhancing community appearance/facilities will be critical for the tourism industry. I have significant experience revitalizing downtowns in Corsicana, Conroe and Harlingen. Additionally I had a great deal of experience improving and building community facilities, parks and infrastructure. Today, Downtown Conroe is an aesthetic jewel and a business hub of this community located just north of Houston. I think my experiences can prove helpful with the Glynn Archer School and Truman Waterfront Projects.

Economic diversification is important to every community. I have a great deal of experience recruiting, retaining, expanding and growing local businesses in communities. In Harlingen we were successful in recruiting/maintaining:

- United Health Care Systems 700+ employee service center
- Expanding Dish network operations by 200+ jobs
- Expanding Advanced Call Center Technology (ACT) operations by another 200+ jobs
- The Veterans Health Care Facility another 400+ jobs
- Bass Pro retail store 350 jobs

In Cedar Park we recruited a hospital with 350 jobs. Construction of the hospital triggered a retail building boom in the community.

With 10+ years of service in Conroe the list of industrial prospects is long and the number of jobs created was huge, unfortunately there were too many to remember. The same can be said for 11+ years in Corsicana. In Corsicana we did create an industrial incubator to grow industrial jobs in the community.

Good **traffic flow during the construction of N. Roosevelt** will be extremely important to retain local tourists that drive to the community and for local citizens and businesses that must endure this detour during the construction process. Though I have been involved street reconstruction projects of major thoroughfares in several communities, I doubt that my experience will be valuable in dealing with tourism traffic. However, my experience as a tourist in St. Thomas during “Boat Days” and on South Padre Island during the summers have help me understand concerns of local citizens regarding traffic management and traffic flow. I think I can have some input that might make the travel a little less hectic for the tourist and a little bit better for the local citizen. However, I first need to experience travel times with regard to the N. Roosevelt construction.

- 7. Assume for the moment that you are the City Manager of Key West and you are doing next year’s budget. Your preliminary numbers project a significant budget deficit. What departments would you look at in terms of cutting expenses? Would you consider layoffs and benefit reductions?**

Typically, I would like to gather input from the City Commission and Department Heads before recommending cuts from various Departments. However, as I mentioned earlier, I have

experienced three national economic downturns in my career beginning in mid-1980. It is not unusual to face significant budget deficits, over the years I have developed a number of strategies to focus spending based on community goals. Those strategies include wholesale changes in operations including force reductions, target based budgeting, program budgeting and priority budgeting. Typically, budget deficits are focused on the General Fund where tax revenues and user fees are major revenues while personnel costs exceed 75-80%.

In mid-1980 in Corsicana, because of poorly managed Public Works operations, I used **wholesale changes in operations**. Wholesale changes included the privatization of sanitation collections services, tax collections, cemetery, fleet, and building maintenance operations. These changes resulted in significant reductions in force (layoffs). In another particularly tight budget year I used target budgeting. I designated the target amount of money that each department/division could spend. Departments/divisions were allowed the leeway to designate how to spend the money, but had to operate within the targeted amount.

In other communities I have used **program budgeting**. Basically examine the programs we provide, next we determine the different levels and associated costs at which the program can be provided and then we determine if the city should provide the program and at what level.

In Conroe we provided voluntary residential recycling for our citizens. Based on our research at that time, participation in residential recycling (in Texas) for the long term typically ran about 7-12%. Our private contractor offered pricing per unit at \$4.00 per month or city wide pricing for all residential units at a greatly reduced amount per unit. We determined that the City could provide voluntary residential recycling free to those that wanted to participate, versus spending an extra \$1.50-\$2.00 per unit to have a citywide program. Our participation rate was about 7.5% with a monthly cost of about 20% of a city wide program.

Priority budgeting requires the determination of the communities most important priorities, typically police, fire and health, followed by all other services. Funding is distributed to those priority functions first, and then major cuts are made in other areas.

I have had City Commissions request that Police and Fire budgets be spared from budget cutting, and that all cuts come from other departments. I have had City Commissions recommend across the board reductions in all departments. In the General Fund, it is very difficult to make major budget cuts without cutting positions and personnel costs.

I have made budget recommendations to cut positions and benefits. I have made recommendations to ask the employees to pick up additional costs of benefits, or to accept less lucrative benefits such as medical insurance with higher deductible and co-pay.

Budget time is not the only time to review and consider changes in operations that reduce costs. Evaluation of cost of services should be a regular part of management's activities.

Background Checks

Personal Information Questionnaire

Name of Applicant: CRAIG F. LOPON

The following questions are designed so that we will be able to make full disclosure to our client concerning your background. Please answer them honestly. Cutting corners or misrepresenting your past will result in you being eliminated from all further searches conducted by this firm. We understand that frivolous charges are sometimes made and that charges do not mean you were guilty. We also understand that you may have been wronged and needed to seek compensation. The bottom line is that we want to be certain that our client is fully informed. If you have any questions, please contact us for clarification.

Please explain any yes answers on a separate sheet of paper.

- 1. Have you ever been charged or convicted of a felony? Yes [] No [X]
2. Have you even been involved in a domestic abuse incident that resulted in you being arrested or that was covered by the media? Yes [] No [X]
3. Have you ever declared bankruptcy? Yes [] No [X]
4. Have you ever been the subject of a civil rights violation complaint that was investigated or resulted in a lawsuit? Yes [] No [X]
5. Have you ever been the subject of a sexual harassment complaint that was investigated or resulted in a lawsuit? Yes [] No [X]
6. Have you ever been convicted of driving while intoxicated? Yes [] No [X]
7. Have you ever sued a current or former employer? Yes [] No [X]
8. Do you have a personal My Space, Face Book or other type of Web Page? Yes [] No [X]
9. Do you have a personal Twitter Account? Yes [] No [X]
10. Is there anything else in your background that might cause a reasonable person concern if he/she became aware of it through the press or any other mechanism? Yes [] No []

Attested to: [Signature] Signature of Applicant

Please email this form via WORD or PDF DOCUMENT to kknautson@cb-asso.com or via fax to (888) 539-6531 no later than 9:00 AM 04/23/2012. (Note: Please be sure to sign the form with your actual signature if you are sending Fax or PDF Document)

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Reference Notes

Craig Lonon Reference Notes

Chip Vansteenberg – Former Assistant City Manager, Conroe, TX (281) 932-6890

Mr. Vansteenberg has known Mr. Lonon since 1988. He worked for Mr. Lonon in two different cities. Mr. Lonon was the City Manager in Corsicana and Mr. Vansteenberg was the Assistant City Manager. In Conroe, TX Mr. Lonon was the City Manager and Mr. Vansteenberg was the Finance Director. The two men worked together from approximately 1994 until 2004.

Mr. Lonon knows how to complete a job without having to make excuses. He is unstoppable when it comes to getting projects accomplished. People who work for him know where they stand because he is straightforward, honest, and direct. He is good to work for because of his management approach. Mr. Vansteenberg always understood his role in Mr. Lonon's workplace.

Mr. Lonon is fun to be around, fits in well with others, and takes interest in the wellbeing of his staff. He reaches out to young employees and City Managers in other cities to help them fit in and learn the how to run their organizations. He includes them in deliberations as much as possible. He was a mentor to Mr. Vansteenberg and many others.

Mr. Lonon has a very good track record for hiring personnel. He understands the type of person who would do well in each position. He is inclusive and strives for balance. He resists promoting people to his offices if they do not have the best talent, because he wants the best for the City. He is very thorough during the interviewing process. One example of innovation and thoroughness in appointment choices was when he searched for a new Parks Director. He drove by each candidate's home to assess the curb appeal and their landscaping. He had decided that this research would provide him with an additional glimpse into their capabilities.

Mr. Lonon was innovative with goal achievement. In Conroe the level of residential development was insufficient to support city services. Plenty of commercial growth occurred but very little new housing construction. In 2000 he outlined a measure with three incentives:

- Tax Increment Financing (TIFs): the developer recaptures some of the tax revenue he creates.
- Public Improvement Districts (PIDs): extra assessment from the purchaser given back to the developer.
- Municipal Utility Districts (MUDs): a separate government entity to offset builder's costs.

Mr. Vansteenberg is still seeing large-scale construction and development in Conroe that resulted from Mr. Lonon's past efforts.

Mr. Vansteenberg was amazed at how Mr. Lonon handled the public. Mr. Vansteenberg worked for him right out of graduate school and observed that upset citizens would walk right into Mr. Lonon's office and emerge twenty minutes later, no longer angry. They were smiling and laughing because the issue had been resolved to their satisfaction. Mr. Lonon considers no one to be an inconvenience to his day. He listens and wins them over as a fan.

When Conroe needed a water and sewer expansion program, Mr. Lonon led his team to solve the problem. The City Council had expressed an ambitious desire to quickly expand the current water and sewer lines in the City. Traditionally bids were sought from local engineers in a slower, more tedious process. Working with his team, Mr. Lonon hired his own engineers and

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construction crews to accomplish projects much more economically and faster than the traditional route.

Mr. Lonon under-promises and over-delivers when he sets deadlines. He believes in setting realistic deadlines, and he meets those deadlines.

Mr. Lonon does not mind delegating pecuniary calculations to team members he trusts, but he has been known to run his own numbers and double-check the financial estimates. He often prepares a spreadsheet to share with others.

There have been no scandals involving Mr. Lonon that Mr. Vansteenbergh is aware of. He did have one project which did not go well, the construction of a police station. One bid was significantly lower than the others. Mr. Lonon recommended selecting the next bid higher, since he felt the low price might indicate some compromise in quality. The lowest bid was selected, despite his recommendations. The finished building experienced air conditioning problems and foundational shifting. The City Manager was blamed equally for the problem along with the construction company, even though Mr. Lonon had performed his due diligence and had recommended another builder. Only one Conroe City Council member was directly displeased with Mr. Lonon's service. This person, J. Ross Martin, had personal interests against a project in downtown Conroe that the Council had chosen, and he blamed Mr. Lonon.

Without a doubt, Mr. Vansteenbergh would hire Mr. Lonon if given the chance. He is a good City Manager. He is the perfect choice for any city.

Words or phrases used to describe Mr. Lonon:

- Hardworking,
- No-nonsense,
- Smart,
- Outgoing and friendly,
- Has personal integrity, and
- Agent for change.

Strengths: Work ethic is impressive, good example to others; commits to doing the job at hand, makes a plan, and sticks to it through to completion.

Weaknesses: Being very direct can be off-putting to someone who prefers less directness and transparency; and he also chooses not to play politics, which bothers some.

Dan Serna – Director of Public Works, Harlingen, TX 956-245-2051

Mr. Serna had the good fortune to work for Mr. Lonon in Harlingen since 2006, when he was hired as the City Manager. Mr. Serna has been Harlingen's Director of Public Works 22 years.

Mr. Lonon is very capable, talented, and extremely knowledgeable in all aspects of public administration. Mr. Serna has worked for several City Managers but was more impressed with Mr. Lonon than the others. He is talented in financing, public works, and capital projects, and has decades of experience. He inspires employees to do their best and provides them direction without micro-managing. Mr. Lonon is a great individual, easy-going, and pleasant to spend

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time with. He prefers face-to-face interactions with others. He uses email when necessary, but often prefers personal discussion.

Mr. Lonon makes good decisions. He has confidence in his people and calls the appropriate person when he wants to have a discussion about the topic at hand. He created a 'key group' committee consisting of the police chief, financial director, fire chief, public works director, and the legal department. He sat down with them and went over any pressing issues in the City. They discussed strategies and decided on the best recommendations to put before City Council. He also holds bi-monthly meetings with his staff so everyone has an opportunity to update others on their progress and discuss issues. He encourages feedback, so employees were never embarrassed to express the truth.

Mr. Lonon hires great people. For example, he hired a Human Resources Director who is still with Harlingen and doing very well. The Planning Director he selected has been promoted to become the Parks Director. He selects his staff very carefully. When directing his personnel he provides specific instructions and listens to their input. He balances his experience with the staff's fresh ideas. They never feel their ideas are dismissed. He is fantastic at leading teams, and insists that politics are set off to the side. He conducted yearly in-depth evaluations of his staff and set the upcoming year's evaluation standards. His list of expectations grew every year. The staff wondered how they would accomplish them all but, to their surprise, they always accomplished their goals.

Mr. Lonon deals with the public and public officials as he does with his employees. He holds open forums, has an open door office policy, plans meetings, and conducts personal communications. He speaks to his audiences at their level of understanding and relates to his listeners. Mr. Serna always picks up many pointers when he listens to Mr. Lonon.

Mr. Lonon has fantastic financial skills. He and Mr. Serna worked on many improvement projects together. Before Mr. Lonon was hired, Mr. Serna had difficulty getting the message across to the City about previous budgeting of capital funds. Mr. Serna explained the problems to Mr. Lonon, and Mr. Lonon asked for time to study his ideas. He returned in agreement, and the two of them went to Council together to amend the capital projects list. Once an agreement was reached they were able to complete a significant number of project goals.

Mr. Lonon presses hard, and gets results. He delegates and does not micromanage. He involves himself at the employee level, if need be, by helping staff understand policies and why the City set certain goals. He distributes assignments to staff then gets out of their way unless otherwise needed. He respects department heads and supervisors, and ensures that they collaborate.

Although Mr. Lonon was voted out of his Harlingen City Manager job, Mr. Serna knows that circumstances change as just another aspect of city government. Mr. Serna would hire Mr. Lonon again without hesitation. He will certainly make a good City Manager anywhere.

Words or phrases used to describe Mr. Lonon:

- Excels at communication,
- Knowledgeable in public administration,
- Goal oriented,
- Talented in finance,

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- Makes good decisions, and
- Gets results.

Strengths: Great ability to communicate appropriately to all audience levels including the Mayor, City Council, employees, and citizens; and has an excellent understanding of how municipal government works, including the local laws.

Weaknesses: Although most people appreciate that he is very goal-oriented and driven, staff members not accustomed to stretching themselves can feel uncomfortable.

Jay Meade – Former City Commission Member, Harlingen, TX 956-245-7053

Mr. Meade has known Mr. Lonon since 2006, when the City Commission hired him from among eight candidates. Mr. Lonon was the best City Manager Harlingen ever had. He fixed the City and was successful despite budget cuts. Mr. Lonon even refused a raise because such an increase would not be financially judicious for the City.

Mr. Lonon's financial skills are excellent. He led the city team that finally managed the budget and also managed to upgrade the long-neglected city streets. Other financial successes included increasing police and fire protection, and the demolition of old buildings which were cluttering up the downtown area.

Mr. Lonon's leadership style is innovative when a problem needs to be resolved, but he sticks with established methods whenever a process is already working very efficiently.

When dealing with the public, Mr. Lonon handles himself well. However, he has a tendency to allow his staff and elected officials to deal with the public more often when the area of discussion falls under someone else's specialty area. He got along extremely well with the city elected officials. The City Council that hired him and council members who followed were extremely satisfied with his performance. He was only released because a brand new Council wanted to make a clean sweep.

Mr. Meade has nothing but good comments to make about Mr. Lonon. He is competent, courteous, and professional. His employees love him. He is firm but fair. Mr. Lonon was only voted out because the new Council had another specific person in mind who shared their goals.

Mr. Meade recommends hiring Mr. Lonon for any city.

Words or phrases used to describe Mr. Lonon:

- Excellent financial skills,
- Competent,
- Courteous,
- Professional,
- Firm and fair, and
- Innovative.

Strengths: Admirable leadership, fairness, and excellent management skills.

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Weaknesses: None identified.

Chris Boswell – Mayor, Former City Commission Member, Harlingen, TX 956-428-9191

Mr. Boswell was a City Commissioner when Mr. Lonon was hired in 2006; then Mr. Boswell became the Mayor and continued to work with him through 2009.

Mayor Boswell holds Mr. Lonon in very high regard. He has worked with five City Managers during his 14 years in city government. Mr. Lonon was by far the best City Manager of them all.

Mr. Lonon employs situational leadership skills, utilizing different styles with different people depending on their ability and their understanding of the matter. He maintains proficiency on a management continuum anywhere from directing personnel to delegating when appropriate. Some departments need more attention, others less. Mr. Lonon adjusts his style appropriately.

Mr. Lonon is an excellent financial manager. He recognizes which preexisting methods are working and which are not. When a new process is needed to complete a goal, he innovates to find a better solution. For example, he pushed Harlingen to find money in its budget to do much needed street repairs on a more prompt schedule for ideal maintenance. The City's previous 10 year repair rotation plan was improved to a more appropriate 3 year rotation.

Mr. Lonon is good at leading teams. He was very involved in the acquisition of the Bass Pro retail store in November 2011. The project was a very important to the economic development of Harlingen. He and his team were instrumental in achieving this valuable goal.

Mayor Boswell is unaware of any scandals involving Mr. Lonon. He was always very visible in the community. Rather than stay home he attended public functions and events, and kept involved in many community organizations. He did not seek attention from the public or press.

One very prominent example of Mr. Lonon's positive influence on the City occurred at a retirement party. The long-time City Secretary retired while he was City Manager. She tried to retire once before, but he convinced her to stay. Ultimately, she served Harlingen for 25 years. She was a woman of few words and not known for giving compliments. However, when she reluctantly made a small speech, she put considerable effort into complimenting Mr. Lonon and stating that he was a great leader. Such a tribute from this particular secretary was an impressive illustration of the degree of loyalty he inspired in his staff.

Mr. Lonon has talent for hiring strong employees, even when his choice may initially seem unpopular. One excellent decision he made was to remove the long-time fire chief and promote the assistant fire chief in his place. The decision was very difficult, but a very beneficial move for the City. He hired outstanding city employees. Whether he hired them or whether they were already engaged when he arrived, Mr. Lonon's staff had confidence in him.

When dealing with the public, Mr. Lonon sometimes deferred to others for public communications. He allowed elected officials to present many important and relevant outgoing messages. He delegated some incoming queries to specialists in the subject area being discussed.

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Mr. Lonon worked extremely well with Mayor Boswell both when he was City Commissioner and as Mayor, and he worked extremely well with the other City Commission members. Of all the City Commission members who passed through during his time in Harlingen, only one did not agree with the general consensus; that person was Robert Leftwich.

Mr. Lonon was voted out of his City Manager position soon after a full turnover of Commission members. Commissioner Leftwich held personal resentment against Mr. Lonon. The very new City Commission was inexperienced in terms of their understanding of city governance. With their limited comprehension and Mr. Leftwich's influence, they terminated many very competent city employees including the City Attorney, the Police Chief, and the City Manager, Mr. Lonon. They also tried to remove people in many other departments. The mass firing was related to politics, not individual, professional aptitude.

Mr. Lonon is the best City Manager Mayor Boswell has ever worked with. He highly recommends him as a City Manager anywhere he chooses to go.

Words or phrases used to describe Mr. Lonon:

- Extremely competent,
- Knowledgeable,
- Intelligent,
- Good financial manager,
- Possesses everything needed for a City Manager, and
- Hires good people.

Strengths: Detail-oriented, good leader and manager, budgets extremely well, has full ability to properly manage a city, and the city does not feel a need to check up on him.

Weaknesses: Although no one is perfect, no weaknesses come to mind.

Brendan Hall – Former City Attorney, Harlingen, TX 956-778-6789

Mr. Hall was the City Attorney when Mr. Lonon came to Harlingen in 2006 as City Manager. They served together until July 2009. Mr. Lonon remained City Manager until December 2009.

Mr. Lonon is an excellent manager. He is straightforward and says what is on his mind. He sets the agenda and expects his staff to either follow his direction or explain why not. Of all City Managers Mr. Hall worked with over his entire career, Mr. Lonon is one of the two best. They worked very well together.

Mr. Lonon is a good communicator. He keeps an open door policy in his office. He prefers to communicate face to face, and anyone from the staff or community could walk in to speak with him whenever they needed to. Speaking with Mr. Lonon was not a formal occasion. He was very good at dealing with citizens and the media. He carefully explained why the City made the decisions that it did. He never lost his temper with the public. He was always straightforward

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and honest with the press. People respected him. Although he made himself accessible for others to come to him, if he needed to distribute information he acted first, without hesitation.

Previous to his very last city commission, Mr. Lonon interacted very well with all city officials. He did his research and always carefully answered each question they had. His last commission commenced with a new agenda, quite different from the previous commissions.

Mr. Lonon always had the budget under control. He was well informed and answered fully any questions from the public about the budget. He understands financial issues. He insisted that the dilapidated Harlingen streets and potholes be repaired. He raised the maintenance budget to allow for repaving and repairing 5% of the City's streets each year. His plan would have had the whole network of city streets completely fixed in 20 years.

Mr. Lonon's decision -making process includes gathering as much information as he can, seeking guidance from experts, and analyzing the best courses of action. He reaches out to the departments or other sources who specialize in the issue being considered and gathers pertinent information. Depending on the delicacies or complexities of the problem, he may take longer to decide or move forward quickly. Mr. Lonon is always open to ideas from others, and is very innovative when exploring solutions.

Mr. Lonon makes smart choices when hiring. He makes no changes initially when he begins. Only after he determines that an employee either will not or cannot do the job would he replace that person. He is very cautious about replacements. He will not remove staff member simply to create a new environment. Staff he appointed have been successful and beneficial to the City.

Mr. Lonon works well with his team. He holds a staff meeting every week in which he meets with all department directors to address whatever issues concern them. He gathers whatever input he needs to resolve issues then meets again with the staff to make decisions. With his team, he played a significant role in the City being able to attract a Bass Pro shop. He was a great leader for that team project. He combined a city team and a private development corporation to accomplish the task. The City development team's job was to bring in new employers and economic development. Bass Pro came to Harlingen because of successful location planning, a welcoming environment, city support, and Mr. Lonon's consistent help.

Any controversy Mr. Hall heard of concerning Mr. Lonon came in the form of rumors. The City Commissioners he worked for in Cedar Park were unhappy about some expenditures. Although not unethical, they held differing opinions about the appropriateness of some spending decisions. The new commissioners did not like a decision the City had previously made before their election. Mr. Lonon filed suit against the City, but Mr. Hall is unaware of the lawsuit's outcome.

Mr. Hall is a big fan of Mr. Lonon. Mr. Hall has worked with many City Managers for 20 years, but Mr. Lonon and one other man would tie as the best. He will be an excellent hire for any city that wants an honest manager who does not take orders from city commissioners outside their areas of responsibility. Mr. Lonon is a good fit anywhere.

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Words or phrases used to describe Mr. Lonon:

- Straightforward,
- Clear thinking,
- Understands city management,
- Does not play favorites,
- Calls it as he sees it, and
- Ethical.

Strengths: A professional one can depended on, knows what needs to be done, and is ethical.

Weaknesses: Although rarely, Mr. Lonon can become upset. Any leader does, and his upset never caused a problem. Any disagreements were always professional.

Daisy Martinez – Newspaper Reporter, Harlingen, TX 956-366-4444

Ms. Martinez’s relationship with Mr. Lonon was purely professional. She worked at the Valley Morning Star in Harlingen, from 2006 through 2009. Among her assignments was coverage of the City of Harlingen and its City Manager.

Mr. Lonon is a very smart person. Ms. Martinez had many questions for him regarding the budgets, operations, and other information. She wanted to know the City’s plans. Mr. Lonon is excellent at answering questions and being transparent whenever possible. Although some time has passed since she worked with him, Ms. Martinez does remember he was not difficult to deal with. Always a friendly, likeable person, he greeted her around town even when neither was working. He was never condescending, and always wore professional dress. He presented well and spoke comfortably.

Mr. Lonon was released at a time when the City experienced considerable turmoil. Harlingen faced a diversity split and struggled with unity. The overwhelming majority of the population was from one culture, while the leadership was primarily from another. Some outspoken citizens wanted a clean sweep to foster more equality. Mr. Lonon was not the only person to lose his or her job. The City also fired the waterworks executive director as part of a goal to turn authority over to others. Ms. Martinez believes there were no personal motives other than the desire to shift influence. The City was realigned into different districts to help accomplish the new goals. The balance of power shifted toward the cultural preferences of the population base.

When he could not answer one of Ms. Martinez’s questions, Mr. Lonon occasionally directed her to the department heads who had the information. From a press standpoint, he has the capabilities to be a great City Manager.

Words or phrases used to describe Mr. Lonon:

- Represents the City well,
- Intelligent,

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- Polite,
- Transparent,
- Very friendly, and
- Honest.

Strengths: Very professional, open and easy to deal with, and trustworthy.

Weaknesses: None identified

Robert R. (Bobby) Farris – Former City Commissioner, Harlingen, TX 956-423-4710

Mr. Farris was the Chairman of Waterworks in 2005. He was elected to the City Commission around the same time as Mr. Lonon was hired in 2006. They worked together until 2009.

Mr. Lonon accomplished many things in Harlingen. One was convincing the citizens to vote to allow the police and fire departments to unionize. Even though such an endeavor was his first time, he wrote phenomenal union contracts. Union contracts are notoriously difficult to write, but his first labor contract made it appear as if he had been writing them for a decade. Two contracts back to back can really wear a person out but he handled them well. He also did a good job of managing public works and the overall operations of the City.

Mr. Lonon was full of new ideas. He introduced many concepts which he had seen successfully implemented in other cities where he had worked and even in places where he had not. If the current standards were working fine, he saw no reason to force change. He properly represented operational areas which could not advocate for themselves, such as roads. His street repairs have made Harlingen's aesthetics the envy of its neighbors. He brought with him a skill set that included a great deal of foresight and vision. The whole Commission was very pleased.

Mr. Lonon led the team that procured a package offer for Bass Pro. Harlingen received the only Bass Pro shop within 250 miles. As a company, Bass Pro is very particular, stipulating specific requirements before it will consent to entering a community. The whole process took four years and was completed after he left Harlingen, but Mr. Lonon's efforts were crucial in making the whole project a success. The store finally opened about a year ago. Mr. Farris was a member of the team at the time. The establishment of a Bass Pro shop provided the best economic boost the area had experienced in a while. Mr. Lonon's team maintained the appropriate confidentiality and worked well together with Bass Pro management at the national level. The development involved 68 acres with a 22 acre footprint. Mr. Lonon was also successful with another economic development project involving United Health Alliance which hired 700 to 800 people. These projects have continued to help the City's financial outlook into the long term.

When Mr. Lonon communicated with others, he allowed the person to choose the method of contact. Mr. Farris preferred phone calls; so Mr. Lonon obliged. However, Mr. Lonon preferred face to face meetings when he had important issues to discuss. He is equally comfortable addressing groups and one on one. He has very good people skills. When he occasionally did not agree with public officials, he was happy to share his position kindly and never patronized. He got along well with others, even during debates and disagreements.

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Mr. Lonon sees the bigger picture but can also handle the day to day processes when necessary. He prefers to delegate assignments to competent people. He assembled some of the best department heads, most of whom are still with Harlingen. Mr. Farris only remembers Mr. Lonon having to dismiss one person. From Mr. Farris's experience working with him, he also had a thorough understanding of investments and retirement committees.

No controversy ever followed Mr. Lonon. He was dismissed from two cities in a row, but his departures were the result of political rearrangements and were not performance related. Harlingen also released its City Attorney without even meeting him and the Police Chief as well. During this period the City had newly elected commissioners who reorganized many positions. Mr. Farris was born in the area and only left to attend college. He has observed only two other good City Managers during that time, beside Mr. Lonon and he is the best. Any city would be lucky to have him. Mr. Lonon is smart enough to excel in politics or the public sector, but he loves city government.

Mr. Lonon has amazing resourcefulness and gets things done. He is well respected by his staff and maintains good relationships. Mr. Farris never heard anyone speak negatively about Mr. Lonon. He is a phenomenal City Manager. Mr. Lonon is in excellent physical condition and is very active. One could easily understand why he would be dissatisfied with retirement. He certainly has at least ten or more strong years to offer a city.

Mr. Farris enjoyed working with Mr. Lonon. He was one of Harlingen's best City Managers.

Words or phrases used to describe Mr. Lonon:

- Confident,
- Resourceful,
- Thorough and detailed,
- Gets along with people and bands them together,
- Deep thinker, and
- Reaches out with respect and builds consensus.

Strengths: Knows how to manage a budget and build it well, communication skills, and able to build consensus between dissimilar groups.

Weaknesses: Is a bit of a workaholic, spending many 12 hour days plus Saturdays in the office. Could achieve a better balance and get away from the office a bit more.

Mike Perez – City Manager, McAllen, TX 956-681-1001

Mr. Perez met Mr. Lonon in graduate school in 1976. Mr. Perez has been the McAllen City Manager for 20 years. Mr. Perez knows Mr. Lonon fairly well although their contact has been irregular. They reconnected when Mr. Lonon became a President of the Texas City Management Association (TCMA). He is organized, straightforward, and addresses issues directly. He is professional and gets to the point quickly. Mr. Lonon does not attempt to build up a fancy image as some City Managers do. He does attract much attention to himself. He does what he promises to do and always returns phone calls.

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Mr. Lonon understands budgets and knows how to work with committees. He believes in delegating and holding people accountable. Harlingen is 35 miles from McAllen. Mr. Perez had been the City Manager in Harlingen for eleven years but left twenty years ago to take the position in McAllen. Mr. Perez has received many phone calls for candidate referrals, including Mr. Lonon. He gives Mr. Lonon a glowing reference based on his Harlingen City Manager work.

Mr. Lonon is very positive and incredibly ethical. The Texas State code of ethics is nearly identical to the national code, and Mr. Lonon takes them both very seriously. Mr. Lonon has filed more appropriate ethics complaints against other City Managers than anyone else Mr. Perez knows.

Mr. Perez has known the Mayor of Harlingen for 30 years and other council members almost that long. Despite the town's trouble with political and cultural unity, Mr. Lonon never spoke badly of anyone, even when they let him go. He understands that leadership positions change.

Mr. Lonon's staff really likes him. Mr. Perez has hired some of Mr. Lonon's former employees who all speak very highly of him. People hired by Mr. Perez 20 years ago in Harlingen and still there also speak highly of Mr. Lonon. Mr. Perez highly recommends Mr. Lonon for the position of City Manager.

Words or phrases used to describe Mr. Lonon:

- Committed,
- Balanced,
- Frank,
- Efficient,
- Everyone speaks highly of him, and
- Ethical.

Strengths: Knows how cities operate, understands unions, and is good with budgeting.

Weaknesses: Can be frank, which some officials are not used to.

Greg Vick – City Manager, Elgin, TX 214-477-8413

Mr. Vick met Mr. Lonon in grad school in 1977 and both have been City Managers in the State of Texas. They remain in touch, some years more than in others. Both have been TCMA Board officers, but Mr. Lonon was also a past president. They meet each other at regional meetings and keep in touch as contemporaries.

Mr. Lonon is very a friendly and outgoing person with a good personality. People like being around him because he is fun and enjoyable to work with. His social skills draw out the best in other people. When discussing business, he has the ability to come to the point and say what needs to be said in a manner that helps people reach a decision and take appropriate action.

Mr. Vick has known Mr. Lonon for many years. He is a good person and well respected in the profession. People are attracted to him in the professional community, and citizens are proud to say he is their City Manager. Mr. Vick recommends Mr. Lonon highly to any city.

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Words or phrases used to describe Mr. Lonon:

- Friendly,
- Outgoing,
- Good thinker,
- Can measure issues and know what needs to happen next,
- Good gut instincts, and
- Focused.

Strengths: Intelligent, able see to the core of an issue, keeps an organization focused and on track for long term issues, understands budget and finances, and a good listener.

Weaknesses: None identified.

Don Buckalew Sr. – Community Activist, Conroe, TX 936-756-5581

Mr. Buckalew, Sr. worked with Mr. Lonon on various committees and on the economic development council where Mr. Lonon was the Chairman. They worked together often and are friends. Mr. Lonon had a great vision for what Conroe should be doing in the present while planning for the future. He was good at developing the City's infrastructure such as water, sewers, and roads. Some projects he began while in Conroe are now finished and benefiting the City well. Mr. Lonon did a good job, and Mr. Buckalew wishes he were back in Conroe. The City could always use a man like him. He is very forward thinking and does his job very well.

Carter Moore – Former Mayor, Conroe, TX 936-756-2901

Mr. Moore spent 13 years as Mayor in Conroe. He recruited Mr. Lonon from Corsicana, Texas. He came very highly recommended and proved to be a great administrator. He was good with the budget, the staff, and department heads. He could be assigned whatever project was needed, carry it all out, and present it to the Council with all pertinent information. Mr. Moore would definitely hire him as a City Manager, if he were given the opportunity.

Crisanne Zamponi – Former Harlingen Chamber of Commerce, Harlingen, TX 956-454-0438

Ms. Zamponi worked for the City Chamber of Commerce in Harlingen while Mr. Lonon was the City Manager. When Mr. Lonon was hired, Harlingen had two Chambers of Commerce; one for the City of Harlingen and the other as the Hispanic Chamber of Commerce. Both chambers had identical service contracts, and both were funded by the City to do economic development work. This work was being duplicated and funds were being diverted to less efficient purposes.

During Mr. Lonon's tenure, the City decided to remove the funding from the two chambers. Instead the City set up its own economic development department, using the 4a sales tax set aside as a separate fund for economic development. Then the Economic Development Board oversaw the tax for specific development projects. The two chambers continued to exist

Craig Lonon Reference Notes

separately but with different funding. Eventually the Hispanic Chamber of Commerce closed its doors, and its employees were accepted into the Harlingen Chamber of Commerce. The plan was effective, and the City continued to develop while staying within budget.

Mr. Lonon is a good, strong City Manager. The community felt so proud when he fixed the roads and raised the economic situation of the City. He was active in the community and citizens saw him everywhere. Even though the Chamber was not part of the City anymore, the employees continued to respect him highly.

Prepared by: Mary Williams, Colin Baenziger & Associates

Internet Research

Craig Lonon

Supplemental Information with respect to Internet Materials found concerning: Rebekah Syck and Cedar Park

Rebekah Syck – Ms. Syck was a part-time Municipal Judge appointed for a two year term. Her term expired and I chose to appoint someone else (based on an independent committee's recommendation) to fill that position. Ms. Syck sued the City and me individually. Ms. Syck confused a Sunday afternoon call to a municipal court clerk and a subsequent counseling session, for her and the full time Municipal Court Judge as interference by City Administration into her authority in Municipal Court.

The Sunday afternoon incident was the proverbial straw that broke the Camel's back regarding the need to counsel both Ms. Syck and Judge Valarie Garcia regarding their actions that unnecessarily filled the municipal jail at nights. Ms. Syck assumed that I made the call regarding the Sunday incident involving a resident (former City Commissioner) who was arrested based on a warrant roundup. The resident was picked during the afternoon and was forced to spend the night in jail because Municipal Court was not prepared to magistrate arrestees' on Sunday afternoon. The City Attorney made the call and I was unaware of the call until much later, when the City Attorney called to let me know what he had done. The resident was arrested because he failed to pay one of two tickets, issued on the same day, for allowing his dogs to run at large. The resident thought he had paid for both tickets.

Based on this incident and several earlier incidents I decided to counsel both Judge's about their magistration practices and my thoughts regarding the use of the City Jail. Though I agreed strongly with Warrant Roundups, I disagreed with keeping people in jail because the Municipal Court was not prepared to immediately hear the Warrant Roundup cases and dispose of the cases. I told the Judges I wanted the Court open and prepared hear all cases during Warrant Roundups. **Basically, don't conduct a warrant roundup, if the Court is closed.**

Secondly, I expressed concern with a strict policy adopted by the Judges that allowed for hearings in the morning only, and none in the afternoon. I asked the Judges to clean out the jails in the afternoon if possible, to minimize overnight stays in the jail. Both Judges resisted this request.

Finally I asked the Judges to use short jail stays "shock treatment" for first time offenders. Basically, allow offenders to spend a few hours in jail, but to be freed before having to spend the night in the jail. Because I used actual incidents in my discussions, Ms. Syck somehow suggested that I wanted to treat residents differently. I wanted to treat offenders differently.

Bottom line, one of the goals of the City Administrators, City Attorney and Police Chief was to reduce night time jail population. The Judges' practices conflicted with that goal.

On December 8, 2009 (six days after I left the City) the Judge granted Craig Lonon and the City of Harlingen's request for a Summary Judgment. Ms. Syck appealed and the City insurance carrier settled the suit for a nuisance value of \$7,500.

Cedar Park- I was fired as City Manager of Cedar Park after 14 months of service and had been in a battle with the City Attorney spending about 20 hours a week trying to prevent the City from entering into an agreement to build a hockey/multipurpose arena that was billed, by Global Entertainment as a facility that "would pay for itself". Every key city staff member and I agreed that the facility would not pay for itself and that there would probably be an annual shortfall in excess of \$2.0 million per year. Every City Councilmember was aware of this potential shortfall.

During my 14 months in Cedar Park, I worked with four Mayors and a turnover in the City Council majority. In spite of what Mayor Lemon suggests in the newspaper, the City Council was informed regularly regarding the arena project. The City Council was well aware that the arena project size and cost discussions varied from 5,500 -6,500 seats. Mayor Lemon was not Mayor during the time of the Arena Referendum. Mayor Lemon was elected on same date as the Arena referendum.

The \$70,000+ invoice was to pay Global Entertainment to redesign the arena to a smaller capacity. Global hired a Canadian Architectural firm to originally design and to redesign the facility. The Assistant City Manager worked with the architect and Global to redesign the building to meet an aggressive construction schedule, should the referendum be approved. I authorized payment of the invoice after the work was completed and after the referendum was approved. Global was paid for the work. **But at the time of my firing, Global had not paid the architectural firm.**

I was unaware about the confusion regarding the accuracy of the invoice; I simply forwarded the invoice for payment to the Finance Department. If the Finance Department paid more than they should have paid, I was unaware of that discrepancy.

Moving to Cedar Park was a poor career decision on my part.

McClatchy-Tribune Regional News (USA)

December 3, 2009

City manager fired

Author: *Gabriel SaldaNa, Valley Morning Star, Harlingen, Texas*

Dec. 3 HARLINGEN City commissioners in a 3-2 vote Wednesday fired City Manager **Craig Lonon**.

District 2 Commissioner Robert Leftwich, District 4 Commissioner Jerry Prepejchal and District 5 Commissioner Joey Trevino voted to terminate **Lonon's** employment with the city; District 3 Commissioner Kori Marra and District 1 Larry Galbreath were opposed.

Lonon will receive what Mayor Chris Boswell called a "negotiated severance pay" of \$85,000. **Lonon's** employment contract states that he will also receive pay for any remaining sick leave or vacation.

Assistant City Manager Gabriel Gonzalez was named interim city manager.

The mood in the city's commission chambers was tense as close to 200 residents attended the meeting and 15 reached the podium to express their opinions before the commissioners' vote.

Most of those speakers said that recent turmoil among commissioners has tarnished the city's reputation.

Dyan Warrenburg said commission dissent could prove detrimental to attracting businesses to locate here in the future.

"Scaring people away with this negativity makes me a little scared," she said.

When Boswell announced that Leftwich and Prepejchal had placed the call for **Lonon's** firing on the agenda, a chorus of boos rose from the spectators.

Former city commissioner Jay Meade called called Leftwich "drunk with power" and said he should immediately resign from the commission.

Others, including Boswell, stated their support for keeping **Lonon** as city manager.

"I know of no known (poor) evaluation that (**Lonon**) has ever received," Boswell said. "He has carried out the ... directives we have given him without fail."

Leftwich and Prepejchal have cited a Nov. 11 e-mail that **Lonon** sent to Valley International Airport Aviation Director Michael Browning as a factor in their votes. Trevino has not commented on it.

The e-mail advised the airport board to vote on Sun Valley Aviation owner Patrick Kornegay's lease application for an airport services business.

Kornegay is now under investigation by the city commission, the latest development in a months-long controversy involving his proposed business at VIA.

Leftwich has said that the e-mail undermines the Kornegay investigation.

Marra read the e-mail aloud into the city commission's record at Wednesday's meeting.

Leftwich tried to call Browning to the podium to question him about **Lonon's** e-mail, but Boswell did not allow it.

Leftwich declined to discuss the e-mail further and instead made the motion to fire **Lonon**, which was seconded by Prepejchal.

Before the vote, Marra held up a wrinkled piece of paper with the words "Good bye Craig" written in large bold print. She said a copy of the note was left on each commissioner's seat sometime before the meeting.

"Whatever happens tonight, I am not going to vote to fire **Craig Lonon**," she said.

Boswell said there will be a period of "non-productivity" during the search for a new city manager and said that he felt Leftwich's motion to fire **Lonon** must have been inspired by "personal reasons."

"It is not based on an objective standard," Boswell said.

After the vote, the mayor questioned Trevino about rumors that some commissioners had met outside an official city meeting to choose a new city manager. Trevino denied the rumor.

Valley Morning Star (Harlingen, TX)
September 2, 2009

Chamber, city to promote tourism

Author: *Allen Essex; Valley Morning Star, Harlingen, Texas*

Sep. 2--HARLINGEN **Â**— City commissioners have renewed a contract with the Harlingen Area Chamber of Commerce to promote tourism, but only on an "assignable" basis, City Manager **Craig Lonon** said Tuesday.

During a special meeting Monday, it was decided that the contract may soon be transferred to "a group that we're going to create. It's to be determined," **Lonon** said.

The City Commission will create an organization that will likely include members of both the Harlingen Area Chamber of Commerce and the Harlingen Hispanic Chamber of Commerce, to oversee the Convention and Visitors Bureau, the city manager said.

That will happen "sometime in the next 90 days. We'll set up a board," the city manager said. "I hope we'll do it pretty quickly."

In the meantime, the CVB will continue to operate as it has at the Harlingen Area Chamber of Commerce, **Lonon** said.

Interim City Attorney Richard Bilbie recommended a re-vote on the recommendation because agendas for the meetings at which the votes were taken were not posted on the city's Web site.

The contract had been voted at meetings held Aug. 10 and Aug. 13. The agendas were both posted online on Aug. 14, with a note stating, "Due to technical difficulties, this agenda was posted on the Internet Aug. 14."

The CVB contract had been awarded for a year to the Harlingen Area Chamber after those meetings.

Also on Monday, commissioners re-approved a contract with A.V. Pro Inc. to replace the fire safety curtain system at the municipal auditorium. This re-vote also resulted because the Aug. 10 and Aug. 13 agendas were not posted on the city Web site, the city manager said.

In other business, commissioners:

--Approved an agreement coordinated through the Lower Rio Grande Valley Development Council to approve rate increases for Texas Gas Services that will allow the company to increase revenue in the Valley to \$1.32 million, rather than a \$3.7 million the gas company had requested.

--Approved the Development Corp. of Harlingen budget for 2009-2010, which calls for \$6,476,207 in spending for operations and funding from local sales tax revenues for 14 projects.

Internet – Newspaper Archives Searches
Lonon Craig
[Articles Appear In Reverse Chronological Order]

The largest projects to be funded are \$2,084,500 for the University Articulation and Career Center at Texas State Technical College-Harlingen, and \$1.1 million for United Health Care Services Inc.

--Approved the Harlingen WaterWorks budget for 2009-2010, which includes \$4,533,508 in expenditures. The budget is based on \$17,511,800 in revenue, of which \$8,499,000 comes from water sales and \$9,012,800 from sewer charges.

Commissioner Robert Leftwich voted against the WaterWorks budget.

--Approved the Valley International Airport budget for 2009-2010, which includes \$5,578,478 in operating expenses and revenues of \$6,428,060.

Resolutions for final approval for the budgets will be voted upon Sept. 16, **Lonon** said.

McClatchy-Tribune Regional News (USA)
August 18, 2009

City tax rate decrease proposed

Author: *Allen Essex, Valley Morning Star, Harlingen, Texas*

Aug. 18 HARLINGEN — City Manager **Craig Lonon** on Monday proposed a reduction in the city tax from 59 cents for each \$100 in assessed property value to 58.8827 cents.

But even though the tax rate could be lower, the city could raise \$554,500 more, coming from taxes paid by recently built homes and businesses, as well as from property in a newly annexed area of the city, City Finance Director Roel Gutierrez said.

A total of \$14,703,090 will be collected in the next fiscal year, Gutierrez said. In the fiscal year that ends Sept. 30, the city collected \$14,158,592 in taxes.

Lonon said he proposed the tax rate reduction because some city residents are questioning the propriety of special meetings held last week, stating that those meetings were not posted on the city's Website.

Meetings to schedule public hearings on the budget and tax rate were held Aug. 10 and Aug. 13, with the hearings to be held Monday and Wednesday this week.

Joe Rubio, one of the residents who questioned the legality of last week's meetings, said he was most disturbed by the city commission's discussion of funding for Convention and Visitors Bureau.

Rubio said funding of \$488,000 from hotel/motel tax funds for continued operation of the CVB at the Harlingen Area Chamber of Commerce is suspect.

"You've got half a million taxpayer dollars being allocated," Rubio said.

He questioned the system used by members of a committee formed to rank proposals to provide CVB services.

Downtown Director Cheryl LaBerge gave the proposal submitted by the Harlingen Area Chamber of Commerce a 38 point rating above the proposal submitted by the Harlingen Hispanic Chamber, Rubio said.

LaBerge's rating ensured the Harlingen Area Chamber's proposal would win, Rubio said.

"No one asked any questions why two people were within five points and Mrs. LaBerge gave a whopping 38-point negative score to the Harlingen Hispanic chamber," Rubio said.

The Hispanic chamber "was given a strong and simple message and it speaks for itself," Rubio said.

Commissioner Larry Galbreath said he wanted to correct Rubio's statements about the CVB funding.

The issue decided last week was not whether to fund either chamber of commerce, Galbreath said. The CVB's budget was discussed and neither chamber receives that money, he said.

Also, in a related budget issue, **Lonon** said the Rio Grande Valley Birding Festival is seeking a \$10,000 increase from \$23,000 to \$33,000, in the amount that the city provides to pay toward the event.

"It's because the economy is bad and sponsorships are down," **Lonon** said of the request for the birding festival funding increase.

Galbreath said the birding festival has never asked for an increase in the past.

Harlingen Performing Arts Theater is also seeking an additional \$6,000 in funding from the city, **Lonon** said.

"So there's an additional \$16,000 in requests the hotel/motel tax fund that we haven't dealt with," the city manager said.

McClatchy-Tribune Regional News (USA)

March 1, 2009

Harlingen wants its share of stimulus: Streets, drainage systems, water, sewer projects on wish list

Author: *Allen Essex, Valley Morning Star, Harlingen, Texas*

Mar. 1 HARLINGEN Cities in the Rio Grande Valley are lining up for a share of money for "shovel-ready" projects from President Barack Obama's multibillion-dollar stimulus program.

McAllen wants \$170 million for streets, water and sewer upgrades, sidewalks and parks.

Brownsville would like \$65 million, most of that for a low-water dam in the Rio Grande.

While wish lists from the cities of McAllen, Brownsville and Pharr can be found online at stimuluswatch.org, Harlingen's list isn't there.

But that doesn't mean Harlingen doesn't have plenty of projects needing funding from the stimulus package, City Manager **Craig Lonon** said.

He said the reason Harlingen's wants don't appear on the Web site is that the city doesn't participate in the U.S. Conference of Mayors, which compiled the lists shown on the site.

Harlingen has several lists that are routinely submitted to the federal and state governments for funding for improvements to streets, drainage systems, water and sewer projects and other priorities, the city manager said.

"We have requests with Texas Department of Transportation, the Federal Emergency Management Agency, Federal Aviation Administration and the Department of Commerce for employment and training," he said.

Harlingen keeps close relationships with the congressional delegation in Washington, D.C., **Lonon** said. U.S. Sens. Kay Bailey Hutchison and John Cornyn of Texas and the rest of the delegation are aware of the city's needs, he said.

Also, Harlingen pays a lobbying firm in Washington to keep politicians aware of the city's projects, **Lonon** said.

Cameron County Planning Director Frank Bejarano, who works on grant applications for the county and smaller communities that ask for help in seeking funds, agreed with **Lonon**.

It is not yet known whether funding will be funneled through the governors of each state, through state legislatures or go directly to local governments, Bejarano said.

"At this point, we don't know how it's going to filter down," he said of funding that is expected from the president's stimulus program.

In the case of the county, requests will likely be made directly from County Judge Carlos Cascos' office to Washington, he said.

McAllen's shopping list includes \$900,000 to rehabilitate an amphitheater and bandstand and do landscaping at Archer Park.

McAllen also wants \$150,000 to build a motocross park south of the airport.

Brownsville has only three projects on its list, but it wants \$65 million worth of help. Top on the list is a weir costing \$58 million to hold back water in the Rio Grande to be processed for drinking water and to keep the water level high as a barrier to the movement of illegal drug traffickers.

Pharr is the only other Valley city on the Web site with \$23.95 million worth of requests, including a pedestrian safety and mobility project, a "Farm to Market Museum," a "Railroad Heritage Park" and an "Old Fire Station Museum."

A \$9 million public safety radio system is also included on Pharr's wish list.

Valley Morning Star (Harlingen, TX)

November 20, 2008

City manager sets single-member district deadline

Author: *Daisy Martinez; Valley Morning Star, Harlingen, Texas*

Nov. 20--HARLINGEN -- City Manager **Craig Lonon** has set Jan. 7 as the target date to have boundaries drawn for five single-member City Commission districts.

Lonon said during Wednesday's City Commission meeting that the commission needs to move quickly to be ready in time for the May municipal elections.

Lonon said the city has received three proposals from firms for the districting job, but did not name them.

Lonon said he originally estimated the cost of an outside firm to draw the lines for the five districts would be anywhere from \$13,000 to \$35,000. But based on the proposals received so far, the range is now from about \$22,000 to \$35,000.

"Our staff could do this but I don't want to have any missteps along the way," **Lonon** said.

Janine Deal, a supporter of the voter-approved charter Amendment 1 establishing five single-member districts, told commissioners that the newly formed group Harlingen Organizing Political Empowerment (HOPE) would like a committee to be formed for citizen input in the districting process.

HOPE was organized last week in an effort to get involved in the districting process and see that is completed, Deal said.

Members include chairman Ernest Silva, vice chairman and school board member Lyle Garza, former Harlingen police officer and City commission candidate Joe Rubio and Deal, the treasurer.

Also at the meeting, commissioners approved on second reading the annexation of two tracts towards the west side of the current city limits.

One 392-acre tract is bound on the north by Drury Lane and Brennaman Road, on the east by Stuart Place Road, on the south by Garrett Road and on the west by Baker Potts Road.

The second, a 647-acre tract, is bound on the north by Wilson Road, on the west by Altas Palmas Road, on the south by Orange Drive and Queen Sago Drive and on the east by Stuart Place Road.

City Commissioner Robert Leftwich said the city was not prepared to adequately provide public services, especially police protection, to that area.

However, City Commissioner Bobby Farris said if the commission did not move forward with the annexation on second reading, the city would have to wait another five years to try to annex that land.

"Inadequately planned growth is irresponsible government, but to have no tangible plan for thoroughly providing adequate police services to the proposed areas to be annexed, a plan that also includes sustaining the same level of police services for the existing city, is an indication of poor management," Leftwich said in a statement.

"Putting citizens at a public safety risk by overburdening an already understaffed police force is a disservice to the community, and more importantly, potentially creates great risk to citizens," Leftwich stated.

Police Chief Danny Castillo said there are currently 127 police officers, but said to the commissioners that his department would be able to service the annexed area.

There is about one call every two days from the annexed area.

Lonon said that now new officers will be hired as a result of the annexation.

Mayor Chris Boswell said the annexation will help increase the city's tax base.

"Cities have to grow and we have to grow," Boswell said.

Commissioners also gave the green light to city staff to put together an ordinance to allow fireworks stand owners and businesses operating in the newly annexed land the right to continue business there until at least July 2009.

City commissioners will later consider the possibility of grandfathering fireworks businesses in the annexed land.

Valley Morning Star (Harlingen, TX)

July 25, 2008

Harlingen hurricane update

Author: *Daisy Martinez; Valley Morning Star, Harlingen, Texas*

Jul. 25--HARLINGEN -- It's being called the worst storm to hit Harlingen in 41 years.

"In my opinion, (Hurricane Dolly) is the most significant storm since Beulah, as far as the most destructive to the city," Mayor Chris Boswell said Thursday. "We're still concerned that this event is not over. We're watching water levels at the Arroyo (Colorado)."

Hurricane Beulah hit the Brownsville-Harlingen area in 1967 as a Category 3 hurricane.

Dolly was originally a Category 1 storm, but strengthened to a Category 2 as it made landfall Wednesday, leaving behind flooded streets, fallen signs and light posts, uprooted trees, shredded billboards, decapitated houses and more than 200,000 people throughout the Rio Grande Valley without electricity.

City Manager **Craig Lonon** said Thursday that cleanup efforts have begun in the city, but added, "It's going to be a long haul."

Boswell and **Lonon** said they did not have an overall damage assessment for the city on Thursday because relief efforts had just begun.

"When we go out to look at one thing, there's so many things we're seeing when we're out there. We haven't seen the whole picture," **Lonon** said.

Damage throughout the city includes broken windows and torn roofs at businesses in the downtown area, as well as debris and water on roadways, he said.

About 30 windows blew out at Valley Baptist Medical Center, Boswell added.

"It's going to be a massive cleanup effort," Boswell said. "Every street in the city has downed tree limbs and debris."

But Boswell added that he was pleased to see how quickly water was receding Thursday, especially in areas that received a lot of water, such as Jackson Avenue, 77 Sunshine Strip, Sixth Street, Commerce Street, F Street, Buchanan Avenue and the areas west of First Street.

Assistant City Manager Gabriel Gonzalez said Thursday that water from the faucet is potable and that sewer service should be working as usual.

On Thursday, some 267 people were still taking refuge at the storm shelter at Harlingen High School South, which remained without electricity, **Lonon** said.

The Red Cross staffed the shelter Thursday and set up a portable kitchen to distribute food.

The Salvation Army also set up a portable kitchen at Second Street and Monroe Avenue and the Texas Army National Guard set up a third portable kitchen at the Texas State Technical College support center at Rio Hondo Road and Loop 499.

Food was distributed on a first-come, first-serve basis and went quickly, a security officer at TSTC said.

The State Emergency Operations Center will provide ice and water at Harlingen South as long as there is a need and demand for it, Boswell said. He did not know when the water and ice would be distributed.

The mayor also said there is no timeline to complete the cleanup and relief efforts in Harlingen, but said residents need to be patient, cooperative and careful.

McClatchy-Tribune Regional News (USA)

June 20, 2008

La Feria, Harlingen dispute continues: Cities' overlapping territories still unresolved

Author: *Fernando Del Valle, Valley Morning Star, Harlingen, Texas*

Jun. 20 HARLINGEN The city of La Feria wants to stretch its extraterritorial jurisdiction north almost to Santa Rosa, city of Harlingen confidential records show.

A confidential memo from Harlingen City Manager **Craig Lonon** to the city's commissioners said La Feria officials also want to be allowed to annex up to White Ranch Road.

Wednesday night, Harlingen officials met in closed session to discuss an ongoing dispute that focuses on overlapping ETJ boundaries along White Ranch Road. They took no action.

Each city wants to designate a police department that would respond to accidents along White Ranch Road, **Lonon** said in the memo obtained by the Valley Morning Star.

The cities' officials have also discussed whether they'll share expenses to make street improvements along White Ranch Road, the memo states.

"Either community could ask for the road to be improved and both communities would pay their share," **Lonon** said in the memo.

"La Feria now wanted to be allowed to extend their ETJ to High Canal Road," he wrote.

High Canal Road is south of Santa Rosa's ETJ.

The cities' officials declined on Thursday to comment on the confidential information.

"There's a difference of opinion right now between the two cities as to where the boundaries are and we're trying to work it out," Harlingen Mayor Chris Boswell said. "We're trying to resolve this difference of opinion by agreement."

Since last year, Boswell has met with La Feria Mayor Steve Brewer to settle the dispute, officials said.

"Obviously, we want to come to an agreement and we'd like to do so as amicably as possible," Brewer said. "We want to keep the very best relationship with Harlingen. We're sister cities and we need each other."

La Feria claims its ETJ lies along White Ranch Road, where Harlingen's ETJ overlaps, officials said.

Case law would allow Harlingen to maintain its ETJ boundaries there, **Lonon** wrote in a confidential e-mail to Harlingen city commissioners dated Dec. 13, 2007.

"If there's overlapping ETJ, the larger city has preference," Boswell said Thursday in an interview.

As negotiations continue, Harlingen wants La Feria to prove it has the right to set its ETJ at White Ranch Road, **Lonon** wrote in the e-mail.

In 1989, La Feria claimed its population stood at 5,000, a mark that allows cities to extend their ETJs as far as one mile from its city limits, **Lonon** wrote in the e-mail.

La Feria officials believe the city's ETJ extends to White Ranch Road, a city map shows.

But a 1990 Census put La Feria's population at 4,360, barring the city from extending its ETJ more than a half-mile, **Lonon** wrote in the e-mail. La Feria officials claimed residents moved away to drop the city's population count, **Lonon** wrote in the e-mail.

"At this point, we are still researching La Feria's claim that once they reached 5,000 they keep the ETJ regardless of the Census count," **Lonon** wrote in the e-mail.

The 2000 Census found Harlingen's population exceeded 50,000 and La Feria's topped 5,000, he wrote in the e-mail.

"Harlingen's ETJ expanded to the current ETJ of La Feria, therefore La Feria was not allowed to expand its ETJ to the east," **Lonon** wrote in the e-mail.

In December, La Feria officials annexed land in the disputed area after **Lonon** warned Harlingen could take legal action against them.

"What we did was in the best interest and there was no arbitrary decision," La Feria City Manager Sunny Philip said Thursday.

"We're looking down the road with our neighboring cities to avoid conflicts. What we're looking for is having a long-term working relationship with the city of Harlingen."

Brownsville Herald, The (TX)

May 4, 2008

Harlingen, city manager sued by former judge: Syck alleges retaliation after not doing political favors

Author: *Emma Perez-Trevino; The Brownsville Herald, Texas*

May 4--A former municipal court judge claims the city of Harlingen fired her in retaliation for not doing favors for politically connected residents, according to court records.

Former Municipal Court Judge Rebekah R. Syck said she refused to act on a request by City Manager **Craig Lonon** because it was contrary to the city's ethics ordinance, court records show.

Attorney Ed Stapleton represents Syck, a Brownsville resident, in the lawsuit filed Friday in the U.S. District Court Southern District of Texas, seeking \$1 million in damages.

Syck is suing **Lonon** individually and in his official capacity and the city of Harlingen for negligence in hiring **Lonon** in 2006.

"I have not seen the lawsuit," **Lonon** said Friday in a written statement to The Brownsville Herald. "It would be inappropriate for me to comment." Neither City Attorney Brendan Hall nor Mayor Chris Boswell returned calls from the Herald by presstime.

Syck was not reappointed to the bench May 1 following the end of her two-year contract. Because this allegedly was in retaliation for reporting an illegal act and for refusing to violate an ethics ordinance, it constitutes firing for First Amendment purposes.

According to Syck's petition, shortly after beginning her part-time service to the city in 2006, the city passed an ethics ordinance. It forbade her and other judges from arraigning politically connected suspects after-hours. The city's policy was to schedule arraignments between 10 and 11 a.m.

She was contracted to work in the mornings, although she did magistrate suspects outside the scheduled hours if there was a medical or psychological emergency, or a clerical error required correction.

On May 21, 2007 Jesse Robles was arrested during a warrant round up, according to Stapleton. Robles, who serves on the Harlingen Community Improvement Board, Harlingen's Downtown Board of Directors, Leadership Harlingen and previously served as a city commissioner, was arrested on three warrants dealing with animal-control violations.

Syck's clerk received a call immediately following Robles' arrest asking that she see him, the petition states. Syck said that she could not see him that day, and Robles remained in the city jail overnight.

Soon after, **Lonon** allegedly summoned Syck and Municipal Court Judge Valerie Garcia to his office. The petition alleges that he told them that the situation with Robles would not happen again and that "he expected them to respond when he ordered a VIP to be specially treated with an early hearing on detention."

When the judges pointed out that they had followed city policy, **Lonon** allegedly told them that it is "harder" for some people to be in jail than for others.

When the judges didn't yield to **Lonon**, he allegedly said, "you do what you have to in regard to magistrations and I'll do what I have to in regard to evaluations," the petition states.

Syck said that since then, she didn't receive raises or evaluations and that **Lonon** requested a delay in hiring a city marshall until after her contract expired on May 1, indicating that the present municipal judges would thus not be involved in the hiring process.

Syck's petition also states that the city is negligent in having hired **Lonon**. A cursory review of his background reflects ethics-related troubles in Conroe and Cedar Park, Syck claims.

Lonon was fired as city manager of Cedar Park in 2005 for withholding "information vital to an impending bond election and (paying) a \$73,000 invoice without asking the council," the Austin Business Journal reported.

Lonon declined to comment on the firing.

The petition also states that **Lonon's** alleged actions constitute a violation of the ethics ordinance, a Class C misdemeanor.

"I was following an ethics ordinance that they passed and when I refused to break it, they fired me," Syck said Friday. "The city owes me my job back."

Valley Morning Star (Harlingen, TX)

March 6, 2008

City approves ordinance for marshal

Author: *Daisy Martinez; Valley Morning Star, Harlingen, Texas*

Mar. 6--HARLINGEN -- City commissioners approved an ordinance Wednesday to establish the position of a city marshal.

However, City Manager **Craig Lonon** will work with Municipal Court Judge Valerie Garcia and Police Chief Danny Castillo to exhaust all alternatives before actually hiring someone to fill the position.

Lonon said he, Garcia and Castillo have already been working to improve the way the municipal court deals with unpaid fines and outstanding warrants.

More than \$4.5 million in unpaid fines have accumulated in the past 10 years.

Lonon also said they will continue to address the situation by improving the municipal court computer software, hiring a court bailiff to free up police officers who are at the courts and increasing the number of police officers who serve warrants.

Lonon will have the authority to decide when the marshal will be hired.

Castillo said the police department has received 10 warrants from Municipal Court to serve each day since Feb. 27.

He said police officers dealt with 36 individuals who had a combined 178 warrants. Six of those individuals were served with warrants, which cleared 71 of the 178 warrants.

Also at Wednesday's meeting, commissioners approved \$140,000 in funding for landscape planters for the Loop 499 raised median project.

Although the commission had expected the landscaping to cost about \$79,000, Dan Serna, public works director, said the cost estimate from the Texas Department of Transportation and the contractor was consistent with the six-figure cost.

Although commissioners seemed taken aback by the new cost estimate, Mayor Chris Boswell said the landscape planter would improve the appearance of the city.

Boswell pointed out the improved appearance that landscaping planters added in South Padre Island and Edinburg.

"There's going to be maintenance (costs) involved -- no doubt," Boswell said, "but it's going to improve the appearance of our community."

Serna said the \$140,000 will pay for 112 planters stretching from FM 106 to FM 507 on Loop 499.

City commissioners also approved a resolution in support of an application by the city to the Go Texan Certified Retirement Community Program.

The Harlingen Area Chamber of Commerce has been compiling the necessary documents and filling out the certified retirement community application since November.

The Texas Department of Agriculture launched the Go Texan Certified Retirement Community Program more than a year ago.

Also at the meeting, commissioners approved acceptance of a \$25,100 bid for the sale of city-owned land located at 103 E. Taylor Street. Elvira Valdez was the sole bidder.

The lot is approximately 13,833 square feet. The city required a minimum bid of \$22,000.

City staff was directed to initiate the bidding process for the construction of Fire Station 4.

After some back and forth discussion, commissioners voted to opt to accept proposals and not bids from qualified contractors.

Commissioners also decided to reimburse \$20,000 to the Harlingen Museum Association for the restoration work they've done to the Historic Harlingen Hospital at the Harlingen Arts and Heritage Museum.

The association spent about \$42,000 last year restoring the historic hospital.

The reimbursement will allow the association to continue to repair and improve the museum's buildings, facilities, exhibits and programming.

City commissioners also gave their consent to the Harlingen WaterWorks System which recently selected Darrell Gunn as the new HWWS general manager.

McClatchy-Tribune Regional News (USA)

December 13, 2007

Harlingen, La Feria duel over land

Author: *Fernando Del Valle, Valley Morning Star, Harlingen, Texas*

Dec. 13 LA FERIA For months, La Feria and Harlingen leaders have worked to resolve a land dispute along White Ranch Road.

"It's two different interpretations," La Feria City Manager Sonny Philip said Wednesday.

Today, city commissioners here will decide whether they'll annex land that Harlingen officials argue lies within Harlingen's extraterritorial jurisdiction.

At City Hall, officials believe they have the authority to annex a 145-acre swath that straddles Expressway 83 to the city limit line.

"That is the understanding of the city of La Feria," Philip said. "The city of La Feria analyzed the information carefully."

But Harlingen officials argue the land lies within Harlingen's ETJ, City Manager **Craig Lonon** said.

"If it's in our ETJ, we have not given our permission (to annex), because they believe it's in their ETJ so they believe they have the permission," **Lonon** said.

Lonon said Harlingen officials could take legal action against La Feria if it annexes the land.

"We can pursue it and I don't think we want that and I don't think they want that," **Lonon** said. "We don't want to fight with our neighbor."

Last week, Harlingen Mayor Chris Boswell said he met with Philip and La Feria Mayor Pro Tem Lori Weaver.

"We presented all the information we had to them and we are still exchanging information," Philip said. "The commissioners will be able to make a decision based on the overall plan the city had from the beginning and also based on the information the city received from Harlingen."

Last month, La Feria officials pushed back plans to annex the proposed site to continue negotiations with Harlingen leaders.

"We were trying to sort out some facts to try to reach an agreement," Boswell said.

La Feria's ETJ lines extend as far as a half-mile east of White Ranch Road, into Harlingen's ETJ, Philip said in an earlier interview.

As part of a "gentlemen's agreement" between the two cities, La Feria provides water to residents west of White Ranch Road, while Harlingen serves residents east of the boundary, Philip said.

La Feria plans to annex a total of 250 acres to pave the way for a retail corridor along Expressway 83 that's projected to stretch from Mercedes' new Rio Grande Valley Premium Outlets mall to Harlingen.

In 2002, the city of Mercedes filed a lawsuit against La Feria after it claimed La Feria annexed within its ETJ.

The cities settled the dispute out of court, the cities' officials said.

The agreement gave each city a quarter-mile of land along the expressway, they said.

Knight-Ridder/Tribune Business News

March 28, 2007

No police station worries here, Officials don't believe problems in Pharr will occur in Harlingen

Author: *Daisy Martinez, Valley Morning Star, Harlingen, Texas*

Mar. 28 HARLINGEN City officials said they are confident that a new \$9 million police station will not have the problems Pharr has experienced with theirs.

Wilson Estes Police Architects designed both police stations.

Officials here and in Pharr said the Kansas-based company is not to blame for roof problems at the Pharr police station.

Javier Rodriguez, Pharr's planning and zoning director and acting city spokesman, said the roof defects are not because of architectural design.

"As a matter of fact, the architects did a good job, no doubt," Rodriguez said. "It's one thing to design (a building) and another to construct it. There's some construction defects ... a few flaws. But overall, it's an awesome building."

Rodriguez said the Pharr police station was completed in 2003.

Harlingen City Manager **Craig Lonon** said he and other city officials met with Pharr officials and Wilson Estes to discuss problems at the Pharr police station.

"Maybe what was designed was not built," **Lonon** said.

Harlingen will use the same architectural plans that Pharr used, **Lonon** said. But the city is working with the firm to customize it for Harlingen's needs.

"We're still tweaking it," **Lonon** said. "Obviously, we need more (jail) cells, a food preparation area. We're not having a communication center (like Pharr has) and there will be additional space for court operations."

One major difference, **Lonon** said, is that Harlingen will have an on-site construction manager to ensure proper construction of the station.

The station will also meet the required wind/storm codes for Cameron County, **Lonon** said, but not necessarily American Red Cross shelter requirements since the structure will be made of brick and glass.

"We're not going to be designing a shelter," **Lonon** said. "It's a police station."

Mayor Rick Rodriguez said Cameron County's wind/storm requirements are stricter than Hidalgo County's.

"The station can't be built unless we're code compliant," Rodriguez said. "But I'm sure (Wilson Estes) knows about the codes."

Rodriguez said the police station will be something to be proud of once it is finished and it will serve the needs of Harlingen for the next 25 to 30 years.

Lonon said contracting with Wilson Estes will save the city about \$1 million on design and architectural fees and construction costs.

"We took a design ... that could be modified to meet our needs. Modifying doesn't take as long," **Lonon** said. "If you start from scratch, it adds nine months to a year. Construction inflation (could) add 7 percent or 15 percent to the cost of a building ... because you waited a year."

The Harlingen police station is expected to cost about \$9 million and will measure from 46,000 square feet to 48,000 square feet, **Lonon** said.

Rodriguez said cost issues have given this project a sense of urgency.

"The costs will continue to go higher and higher, so we need to do it now to absorb the costs," Rodriguez said. "The prices will not go down."

Knight-Ridder/Tribune Business News

September 28, 2007

Harlingen chooses new EDC director

Author: *Daisy Martinez, Valley Morning Star, Harlingen, Texas*

Sep. 28 HARLINGEN After five months of searching, the Development Corporation of Harlingen Inc. now has a director. William A. Martin, from Fayetteville, N.C., was chosen from a field of more than 24 applicants as the director of the corporation, according to a news release from the city.

City Manager **Craig Lonon** said Thursday that he is looking forward to the success that will come because of this new position in the development corporation.

The development corporation focuses on attracting industries and business to the city to promote economic development.

Lonon said now there will only be one focal point for economic development, unlike in previous years, when the focus was divided between the Harlingen Area Chamber of Commerce and the Harlingen Hispanic Chamber of Commerce.

Earlier this year, commissioners met during a series of workshops and proposed cutting the contracts for economic development that the development corporation had with the HACC and the HHCC because they felt there was a duplication of duties and money spent.

Commissioners determined then that there should be one economic development director.

Jim Denison, development corporation board member, said his vote in hiring Martin was influenced by Martin's 30 years of experience in economic development. "He will be a very good addition to the economic development corporation and for the efforts," Denison said.

Martin has served as president of the Tri-City Industrial Development Council in Kennewick, Wash.; director of economic development for the Lawrence, Kan., Chamber of Commerce; executive vice president of the Leavenworth Kansas Area Development.

Martin is also the former president of the Cumberland County Business Council in Fayetteville where he managed a budget of \$3.4 million and a staff of 22 employees.

Lonon said Martin will manage a much smaller budget and staff in Harlingen. The development corporation will have an operating budget of about \$600,000 for the 2007-2008 fiscal year and a staff of about three to six people, **Lonon** added.

The development corporation is overseen by five board members including: President Humberto Zamora, former city commission candidate; Vice President Jim Springfield, CEO of Valley Baptist Health System; Secretary and Treasurer Armando Elizarde; and members former City Commissioner Eddie Medrano and Denison.

Knight-Ridder/Tribune Business News

August 26, 2006

Harlingen tax revenues could go flat: New Mercedes outlet mall could siphon shoppers, officials say

Author: *Fernando Del Valle, Valley Morning Star, Harlingen, Texas*

Aug. 26 HARLINGEN A new outlet shopping center in Mercedes could siphon shoppers and sales tax dollars away from here.

City officials are projecting flat sales tax revenues after the shopping center opens in November, competing with Valle Vista Mall.

"We are anticipating a reduction in sales tax for a limited period of time," Mayor Rick Rodriguez said Friday.

But sales tax revenues are projected to bounce back to reach \$13.5 million, or the amount generated this year, City Manager **Craig Lonon** said.

Sales tax revenue makes up nearly half of the city's proposed \$32 million general fund budget. But officials said they didn't have data on the amount of tax revenue that the mall generates.

At the mall, merchants like Suncha Dimas are bracing for the outlets' opening.

"When they open the new place, (shoppers)'ll go there," said Dimas, owner of Hapi, a lingerie store. "It's going to be hard for everybody."

In November, Simon Properties, owner of Valle Vista Mall, plans to open the Rio Grande Valley Premium Outlets shopping center with 110 stores.

"Obviously, when a new retail center opens, folks go to the new retail center, and our folks are not going to be different," **Lonon** said. "If they're spending there, there're not spending here and sales tax dollars will go there and not here."

But officials expect shoppers to return to Valle Vista Mall.

"When the novelty of the (outlets) wears off, we'll get back to our normal levels, if not more," Rodriguez said.

Les Morris, a spokesman for Simon properties, said the outlet shopping center will not take local business away from Valle Vista Mall.

"It's not a cannibalizing type of thing," said Morris, who described the outlet shopping center as "a regional draw ... for people hundreds of miles away."

"They're different retailers," Morris said of the outlet stores. "Both can operate very successfully in the same market area."

For years, city officials have struggled with sluggish sales tax revenues as booming shopping areas sprung up in Brownsville and McAllen.

Once one of the Valley's busiest shopping malls, Valle Vista Mall lost major stores like Bealls and Walgreen, adding to its number of empty storefronts.

"People say it's always packed in the Brownsville mall, it's always packed in the McAllen mall," Dimas said. "The Harlingen chamber has to do something. We have to care about our community."

Harlingen Area Chamber of Commerce officials were not available for comment Friday afternoon.

At City Hall, officials have considered buying the mall to try to improve it, Rodriguez said.

"In the past, there's been talk that if Simon was not interested in sprucing it up, we could make a bid for it," Rodriguez said.

New stores like Steve & Barry's, an apparel store, will keep drawing shoppers to Valle Vista Mall, Morris said.

As J.C. Penney undertakes a \$900,000 renovation project, Dillard's is also remodeling its store, he said.

"All of these are very positive signs," Morris said. "There are great success stories going on there right now."

Knight-Ridder/Tribune Business News

August 24, 2006

Harlingen budget talks target street repairs: Proposed budget is \$32 million

Author: *Fernando Del Valle, Valley Morning Star, Harlingen, Texas*

Aug. 24 HARLINGEN The city's proposed \$32 million general fund budget would boost street repairs by 62 percent, City Manager **Craig Lonon** said Thursday, with no tax increase proposed.

But the city should aim at tripling its spending to adequately upgrade its streets, **Lonon** said.

The city's proposed budget calls for \$651,000 in street repairs, up from \$400,000 this year, **Lonon** said.

"When we look at major street maintenance, we don't spend nearly enough," **Lonon** said.

"We probably need three times what we're proposing to spend," **Lonon** said. "We need to be improving 6 to 7 percent of our streets per year. This year we improved 1.8 percent."

City commissioners will earmark which streets will be slated for repair, **Lonon** said.

The proposed increase in the city's street maintenance fund accounts for the largest single expenditure in the draft budget, **Lonon** said.

The budget plan compares with a \$31.3 million general fund budget this year.

City officials must approve a budget before the new fiscal year begins Oct. 1.

Knight-Ridder/Tribune Business News

March 2, 2006

New city manager chosen: Harlingen mayor says he would have voted not to hire former Cedar Park official

Author: *Matt Lynch, Valley Morning Star, Harlingen, Texas*

Mar. 2 HARLINGEN City commissioners voted in a split decision to fill the city manager position by extending an offer to former Cedar Park City Manager **Craig Lonon**.

Upon **Lonon's** acceptance of the offer, the commission's 3-2 decision brings to a close an application process that has run nearly the duration of the period since former city manager Tommy Gonzalez resigned from the position in August 2005.

Commissioners Chris Boswell, Jay Meade and Eddie Medrano voted in favor of offering the job to **Lonon**, while commissioners J.J. Gonzalez and Frank Puente voted against extending the offer.

Mayor Rick Rodriguez indicated that he would have voted against the employment offer.

"One of the things I feel is important is having an open government. The commission decided against using a citizen's committee, and now we've extended a contract to a city manager with a split vote," he said.

"If I had a vote, I would have voted nay. I feel we have a lot of local talent that would have been superior, but as we know, majority rules."

While complete details of the city's proposed employment offer were not readily available, Boswell said the offer would include an annual salary of \$120,000, compared to Tommy Gonzalez's salary of \$132,500.

Boswell also said the offer would include a \$2,500 allotment for moving expenses and would call for **Lonon** to begin his employment with the city no later than 45 days after signing a contract.

As commissioners whittled down the pool of applicants to four finalists, city officials scrutinized details of how **Lonon** was fired from his previous job in August 2005 by a unanimous vote of the Cedar Park city commission.

According to an article by the Austin American-Statesman, Cedar Park city commissioners decided to fire **Lonon** for "several reasons," including "failure to disclose vital information that could have imperiled a \$30.8 million bond referendum for an ice arena" and **Lonon's** "decision to pay \$73,000 for a \$71,000 invoice without telling the council."

Contact information to reach **Lonon** was not available as of press time, but Medrano said he personally examined the circumstances behind **Lonon's** departure from Cedar Park and was confident in the commission's decision to extend **Lonon** a job offer.

"It was not a major factor because I myself called and spoke to three current and past commissioners as well as the past city manager who was the assistant city manager at the time," Medrano said. "Based on their responses and the fact that (**Lonon**) had to deal with four different mayors within the 14 months he was there, I am confident his dismissal was nothing but politics."

Puente felt one of the other three candidates, which included current interim city manager Gabe Gonzalez and interim assistant city manager Michelle Leftwich, would have been a better choice to fill the role of the city's most important non-elected official.

"I've always voted my conscience and I feel that there were other candidates who were more qualified," he said.

Despite the split vote, Medrano said it would be in the commission's best interests to see **Lonon** succeed, should he accept the city's offer.

"I believe that the entire elected commission wants **Lonon** to succeed," he said. "The fact that they were wanting someone else to fill the position is a decision I respect, but I am confident **Lonon** with his years of experience will do a lot to bring us together and move our city forward."

Austin American-Statesman (TX)

August 3, 2005

**Cedar Park fires another city manager
Council says official withheld information on ice arena proposal**

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

The Cedar Park City Council voted unanimously to fire City Manager **Craig Lonon** on Monday night, citing several reasons, including allegations that he withheld information from the City Council.

Most notable, Mayor Bob Lemon said, were two actions: **Lonon's** failure to disclose vital information that could have imperiled a \$30.8 million bond referendum for an ice arena and his decision to pay \$73,000 for a \$71,000 invoice without telling the council.

The council reached the decision shortly before midnight, after nearly three hours in closed-door executive session.

Lonon's departure comes just weeks before the city begins budget deliberations, a process customarily led by the city manager.

The move to fire **Lonon**, the third such attempt since April, also came weeks after the council's decision to stop work on the bond-financed arena, which would have housed the Austin Ice Bats hockey team.

The council made that decision after learning that the building could not be built within the \$26 million budget, a fact **Lonon** had known for six months, Lemon said.

Repeated attempts to contact **Lonon** on Tuesday were unsuccessful.

Lemon said the council considered more than two dozen points for firing **Lonon** with cause, a move that could prevent him from receiving the severance package that his contract assures if he is fired without cause.

"We spent a long time going through a lot of issues," Lemon said. "Twenty-five of them."

Lemon referred to a five-page document written by Council Member Cobby Caputo that he shared with several council members. Caputo declined to release the document.

High among the issues the council discussed, Lemon said, was **Lonon's** decision to withhold information about the arena before the bond referendum in which voters approved it. Former Mayor Bob Antle said that had **Lonon** presented that information to the council, "it is far more likely than not that I would've motioned to cancel the bond election."

The other issue, Lemon said, was **Lonon's** decision to wire \$73,000 to one of the arena's main partners just days after the election, despite instructions from the City Council not to make any payments without its approval.

City Attorney Leonard Smith, who was terminated without cause and is expected to leave his post in September, found that **Lonon** overpaid a \$71,000 invoice from Phoenix-based International Coliseums Co. shortly after the vote, Lemon said.

The invoice did not specify what the \$71,000 bill was for.

"There's still some mystery concerning this money," Lemon said.

Before coming to Cedar Park, **Lonon** served for 11 years as city administrator in Conroe, near Houston.

He was hired months after the council voted to fire City Manager Robert Powers in March 2004.

In December, members of the council admitted breaking state open meetings laws by meeting illegally before deciding to fire Powers.

Human Resources Director Brenda Eivens has been named interim city manager. **Lonon** is on paid leave pending a resolution of his separation agreement.

Lemon said the council has not discussed replacement options.

Caputo said he believes the city will have few troubles finding a replacement for **Lonon**.

But Council Member Christie Goodman saw it differently.

"If I were a city manager, I would certainly have concerns about coming to Cedar Park because of the continuing changes we have," she said. "It appears that it's a short-term gig."

Austin American-Statesman (TX)

July 16, 2005

Cedar Park will try, try again to score an arena deal

Author: *Anita Powell, Jennifer Barrios, AMERICAN-STATESMAN STAFF*

After dumping the city's biggest business deal in recent history, Cedar Park leaders say they're looking to start anew.

On Thursday, after months of wrangling with private investors, the City Council voted unanimously to stop work on a proposed \$38 million, 5,500 seat hockey arena and events center that would've been home to the Austin Ice Bats minor-league hockey team.

In doing so, the council severed ties with Global Entertainment Corp., a Phoenix-based arena management company that had agreed to help pay for the facility. On Friday, city officials said they were eager to pursue other private investors for the deal, for which voters approved \$30.8 million in bonds in February.

"The City Council said they still want to do the project," City Manager **Craig Lonon** said. "We just have to find another partner. We have visited with other parties."

The arena has already cost the city about \$1 million in engineering and design fees. No ground has been broken, and the site has yet to be annexed. Also, the building came in nearly \$2 million over its \$26 million budget, and the bonds have not been sold.

City leaders said they could not reach necessary legal and financial agreements with Global Entertainment and other partners in time to begin construction by Aug. 19, which would enable the facility to open by November 2006 for the start of hockey season.

Company officials did not return calls seeking comment Friday.

Although the Ice Bats had allied with Global Entertainment, city officials said they were hopeful the hockey team would still commit to the deal.

"The Ice Bats want a new facility," **Lonon** said. "If Cedar Park can make a commitment to have a facility before the 2007 season, I think we can keep them here."

Lonon said the city also has been courted by minor-league basketball teams.

Mayor Bob Lemon said other arena management companies had also offered hockey teams, though he didn't provide details.

Austin Ice Bats General Manager Jeff Buch did not return calls for comment. Team spokesman Glen Norman declined comment, saying there are too many "unknowns still out there." Those unknowns might include growing competition for the team from other municipalities.

Organizers of a competing Williamson County plan had been watching the Cedar Park deal closely, indicating they might court the Ice Bats should Cedar Park's bid fail.

Task force members said they'll meet to discuss what to do next.

"I guess it's resurrected a little bit," said Tom Crawford, task force co-chairman of the county plan.

But that plan, in which Williamson County, the Georgetown school district and the City of Georgetown would team up to build a county events complex just south of Georgetown, has withered in recent months.

County Judge John Doerfler said that the school district, which had been looking at building a football stadium at the site, has since backed out of the proposal, and the city's interest is beginning to wane.

Lemon, meanwhile, said he thinks Cedar Park can offer a better deal.

"I think we're still way ahead of them," he said. "We have a design, we have land, we know voters are interested in the deal."

Some Cedar Park residents agreed.

"Do you know how much money is rolling down (U.S.) 183 into Austin?" said Maria Talamo, 50. "I think everyone's getting tired of driving into Austin for everything we do."

Austin American-Statesman (TX)

June 16, 2005

**County, YMCA joint road plan disintegrates
Cost overruns cited as county, Cedar Park back out of plan to realign, improve road**

Author: *Jennifer Barrios, AMERICAN-STATESMAN STAFF*

Williamson County has abruptly pulled out of a deal with Cedar Park and the YMCA of Greater Williamson County to improve a Cedar Park road that leads to a YMCA branch and a county park.

The plan to move and widen East Little Elm Trail would have cost \$449,000. The county had planned to pay for 60 percent of the project, with Cedar Park and the county YMCA paying the rest.

But Precinct 2 Commissioner Greg Boatright pulled the agreement from the agenda of the county commissioners court June 7.

He cited the rising cost of the proposal and cost overruns on a county-funded parking lot that serves both the YMCA building, which opened in January, and Twin Lakes Park.

The original cost of the road improvements was about \$300,000, but engineering and other costs pushed that number up, Boatright said.

"I felt like we were putting more money in it than we should have," Boatright said of the proposal, which had been in the works for about eight months. "There's a lot of other projects that we need to do."

The money was to come from the county's \$350 million road-bond program, which voters approved in 2000.

When Cedar Park City Manager **Craig Lonon** learned that the county had pulled out of the deal, he said the city would do the same, Boatright said.

The plan had been to move East Little Elm Trail, which spurs off U.S. 183, slightly north, to align with a road to be built by developers on the west side of the highway, and expand it to a four-lane divided road.

Cedar Park Mayor Bob Lemon said the expanded roadway would have helped the city attract developers for the vast acreage across from the YMCA building on U.S. 183.

Along with the county's contribution, the City of Cedar Park would have pitched in \$145,000 and the YMCA \$39,000.

Texas Department of Transportation spokesman John Hurt said that about 49,000 cars pass that intersection on U.S. 183 every day, according to a 2003 traffic study.

Accidents on the road have increased in recent years, from one in 2003 to six in the first half of 2005, said Capt. Jeff Hayes of the Cedar Park Police Department.

Hayes said the accidents probably are attributable to the increased traffic from the new YMCA building.

YMCA Executive Director Jeff Andreson said he had not heard of Boatright's decision to nix the idea.

With the funding source gone, city officials say, East Little Elm Trail will remain little for now.

Lonon said the street will remain as-is unless the YMCA comes up with a different plan.

He said that although Cedar Park would benefit from having better access to the YMCA, the city did not instigate the plan to widen the road.

"We became a part of it because Commissioner Boatright asked us to be a part of it," he said.
"Obviously, it'd be good to have access in and out of that area. We'll have to wait and see what happens from here."

Austin American-Statesman (TX)

July 15, 2005

Council cancels Cedar Park arena deal

Failing to reach financial agreements put timeline in jeopardy, official says

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- The City Council voted unanimously Thursday night to kill a business deal that would have brought the Austin Ice Bats hockey team to town in a brand-new 5,500-seat multipurpose entertainment center.

The council also voted unanimously to seek other private parties to help finance and build the arena, for which voters approved \$30.8 million in bonds in February. The city has yet to sell the bonds.

The move came after weeks of limited progress and several missed deadlines in reaching legal agreements with the deal's major partner, Phoenix-based Global Entertainment Corp.

Top city staff members, including City Manager **Craig Lonon**, told the council Thursday night that a failure to reach financial, design and operational agreements with the deal's private parties made it impossible to reach the projected construction start date of Aug. 19 and to open the facility by Nov. 26, 2006, for the beginning of the minor-league hockey season.

"We've reached the point where we can't do this," **Lonon** said. "I've worked really hard to make this happen. I've been the biggest pusher for it. But I can't do this."

Assistant City Manager Sam Roberts said the construction partners had predicted that the building would overreach its \$26 million budget and come in at more than \$28 million. He said he did not think that the building's budget could be cut further without affecting its profit-earning abilities.

"I am not very confident that they can bring this building down to \$26 million through value engineering where I can recommend it," Roberts said.

Council members echoed **Lonon** and Roberts' palpable frustration, citing an inability to reach the agreements, for which the City Council had set -- and missed -- two recent deadlines.

"I think at the last council meeting, we set a deadline, and it was today," said Council Member Tina Collier. "Here we are again, at another deadline."

Collier's comment preceded Roberts' report to the City Council, in which he said, "I have to tell you today that we made no significant process on those agreements."

The revelation cast a pall over the council chambers, and council members voted to stop work on the project, which, by some estimates, already has cost the city more than \$750,000 in engineering and design fees.

"The fact that there has been almost no movement on these primary issues in the last four weeks. . . . I think it's our responsibility to move on," said Council Member Cobby Caputo.

"What we have now does not even closely resemble what we advertised to the citizens of Cedar Park," Collier said.

Ice Bats General Manager Jeff Buch could not be reached for comment late Thursday.

The City Council also agreed to try to obtain the building's design and architectural documents for use in a possible future deal. Members appeared hopeful that the city would be able to find another interested financier.

"We have the land and the design; all we need is some people who can do it right," said Mayor Bob Lemon.

Bond Buyer, The (USA)

June 15, 2005

Texas City Racing to Get GO Sale for Hockey Arena Ready by July

Author: *Jim Watts*

Cedar Park, Tex., is working to complete nearly a dozen complicated legal agreements by the end of June so officials can go to market in July with a \$30.8 million offering of general obligation bonds.

If the transaction is ultimately concluded, the proceeds would finance construction of a 5,500-seat hockey arena, slated to be the new home of the Austin Ice Bats of the Central Hockey League. Voters approved the bond authorization in a special election in early February. Cedar Park has approximately 30,000 residents and is located about 15 miles north of Austin.

City manager **Craig Lonon** said the bonds must be sold no later than mid-July so work can begin on the \$26 million facility in August. It is to be ready for the Ice Bats' 2006-07 season opener in November 2006.

"We're doing everything we can do to meet the deadlines," **Lonon** said. "If we meet the July 1 deadline for all these agreements, then we will meet the November 2006 deadline [for opening the arena]. If we don't meet the July 1 deadline, the November 2006 opening will be in doubt."

The documents yet to be completed include interim and final security agreements, a team lease, a non-relocation agreement with the Ice Bats, an operating agreement, a design and build agreement, and a general contract to cover all the other contracts.

Lonon said the city has prepared draft agreements based on its interpretation of the memorandum of understanding with the hockey team and the arena operators. Those have been sent to the various parties, he said, who would get together next week to negotiate the final documents.

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"There are nine or 10 major agreements that must be reached by July 1," **Lonon** said. "We hope to hammer them out next week."

The 5,500-seat multipurpose event center will include 15 to 20 luxury boxes and sophisticated scoreboards. It is expected to host about 140 events a year, including concerts, high school graduations, rodeos, and trade shows. Cedar Park's financial adviser is First Southwest Securities in Austin.

Bond counsel is McCall Parkhurst & Horton LLP, also in Austin. Stafford Sports of Medford, N.J., is the city's consultant on the facility agreements. The bonds will probably be insured, city officials said. Cedar Park's GOs have underlying ratings of A1 from Moody's Investors Service, A-plus from Fitch Ratings, and A from Standard & Poor's. The city has \$55.6 million of outstanding GO debt.

Although the upcoming GOs are voter approved and backed by a pledge of property taxes, they will be taxable because a private partner is involved in the project.

The debt service will be paid through an operating agreement with Global Entertainment Corp. of Phoenix, which owns the Central Hockey League. Global subsidiary International Coliseums Corp. will operate the facility and use revenues from the center to meet the bonds' expected debt service of \$2.3 million a year for 20 years.

The lease deal is backed by guarantees from the arena operator, the Ice Bats, and team owners to make up any shortfall in debt payments if revenues are not sufficient.

Cedar Park will pay \$4.8 million for infrastructure and other costs associated with the arena project, which is being built on land owned by the city. The city will also use \$3 million of sales taxes revenues to build a parking lot.

Austin American-Statesman (TX)

June 9, 2005

**In Cedar Park, rush to start on arena
City Council wants rink ready for hockey team by fall of 2006**

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- Four months ago, voters approved a \$30.8 million bond package to build an ambitious 5,500-seat ice hockey rink and multipurpose entertainment center.

Now, the City Council is scrambling to forge a slew of legal agreements that will get the facility built in time to host Central Texas' minor league hockey team for the start of the November 2006 season.

Last month, the council handed city officials a challenging assignment: Finalize nearly a dozen legal agreements with the all involved parties in a little more than 30 days.

Why the hurry?

City Manager **Craig Lonon** said the aggressive timeline will allow the city to begin construction by August and open the facility by November 2006. Construction is expected to take 15 months.

Completing the legal agreements by June 30 will allow the city to take its bonds to market in early or mid-July, within 45 to 50 days of the facility's expected groundbreaking.

The tasks ahead include finalizing interim security agreements, security agreements, and a team lease and a nonrelocation agreement for the arena's main tenant, the Austin Ice Bats.

An operating agreement between the city and the arena's operator, Phoenix-based Global Entertainment Corp., and a design-and-build agreement also must be completed.

Lastly, the city must write up a general contract that covers all of the other agreements.

"There's a lot to get done," **Lonon** said. "I think the operating agreement is going to be the toughest. It's something that we don't have the expertise in, and we need others to advise us on that."

Assistant City Manager Sam Roberts agreed.

"These are real tight, tough deadlines," he said.

City officials say they can meet the challenge.

"Everybody's optimistic. We obviously have to be optimistic," **Lonon** said. "Everybody understands the importance of the agreement and the timeline."

At a recent City Council meeting, members said they were determined.

"The time for gamesmanship and brinksmanship is over," Council Member Cobby Caputo said. "Now we've got to get it done."

Ice Bats Manager Jeff Buch said he and his business partners would help the city meet its deadline.

"I guarantee our side will commit the time and energy," he said.

Among the City Council, only Member Tina Collier has expressed serious doubts about the city's ability to meet the demanding schedule.

"I'm always accused of being the naysayer on this project," Collier said. "I don't agree with that. I think I'm being realistic on this project."

Caputo offered a tactic that might enable the city to meet the deadline, a tactic met with approval by representatives from Global Entertainment and Buch.

"At some point," Caputo said, "we have to get everybody together, lock the room and say, 'Nobody's getting out until this is done.' "

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Austin American-Statesman (TX)

April 7, 2005

City gets serious about growth

Cedar Park hopes new economic development office lures more jobs

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- With the imminent arrival of the Austin Ice Bats, U.S. 183-A and continued residential growth, this city of more than 35,000 is switching gears.

In its approach to economic development, officials are becoming more proactive in their attempts to lure business.

Last month, the City Council voted to allocate \$175,770 from its general fund budget for a new economic development department.

Part of that money will pay for an economic development director for the city's sales tax-funded economic development corporation.

Formerly, the economic development department contracted with the Chamber of Commerce, which, for a fee, provided personnel and fielded calls regarding economic development.

City Manager **Craig Lonon** said that bringing economic development into City Hall will make the process more accountable to city officials.

The department will officially open May 1.

"We're creating a department here just as we're creating a police department," **Lonon** said. "We want to focus on primary employers. It has to fit into our community. We don't want a lead smelter. We don't want a prison. We want jobs."

Lonon said the change was spurred by dissatisfaction among City Council members.

"We wanted to get it back on the front burner," he said. Businesses "don't have to call us; we'll call them."

Mayor Bob Antle said he supports the change and thinks Cedar Park is ready to attract business.

He thinks increased scrutiny from city officials will bring employers and retail opportunities to the city quicker as a result.

Lonon declined to say how many candidates have applied for the post or to discuss the status of any candidates.

Former City Council member and current council candidate Lowell Moore said he believes that the City Council has moved too slowly on economic development, possibly losing business prospects along the way.

"I think we should've been a little more aggressive about this earlier on," he said.

In early 2003, the city ousted former economic development director Kirk Clennan, who was recently hired to be the City of Leander's economic development director.

In November 2003, the City Council disbanded the all-volunteer economic development board and put city staff members in their place.

Neither **Lonon** nor Antle could comment on the future of the city's economic development board, which is currently filled by city staff members, including **Lonon**.

"That's going to be a decision for the next council," said Antle, who plans to step down from the mayor's seat in May.

He hopes the next City Council will have to contend with an influx of business opportunities.

"The city is prime for attracting businesses," he said. "You really have a captive audience out there that is hungry, literally, for dining, for entertainment, for retail opportunities."

Austin American-Statesman (TX)

September 10, 2004

**Cedar Park budget allows for police, fire raises
2-cent increase in tax rate worth it, council says as it OKs what mayor calls fluff-free
budget**

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- The five-member City Council decided unanimously Thursday night to set the city's property tax rate at 48.807 cents per \$100 of assessed value.

The rate is 2 cents above the rate originally recommended by City Manager **Craig Lonon** in August. At the City Council's request, **Lonon** had initially presented a budget with the same tax rate as last year, 46.807 cents per \$100 of assessed value.

For the average Cedar Park homeowner, that 2-cent jump means about a \$31 raise as a result of the vote.

Three residents spoke against raising the tax rate. Among them were Lucille Turner, 73, who successfully lobbied the state Legislature for a property tax freeze for senior citizens, effective this upcoming budget year in Cedar Park; and Diana Drollinger, a resident who unsuccessfully ran for City Council in May on a platform of keeping taxes low.

"I am a widow," Turner told the City Council. "And it seems like I have been struggling for four years to stay in my home because taxes have been going up."

At \$18.1 million, the approved general fund budget -- the budget used for most day-to-day city operating expenses, including salaries -- is nearly \$2 million higher than last year's budget of \$16.2 million.

Aside from the usual operating expenses, this year's budget also includes a 5 percent raise for city employees. Last year's budget did not give employees a raise.

The budget also features \$20,000 for camera equipment to televise City Council meetings, \$200,000 for street maintenance and money to hire a city public information officer.

The approved budget also addressed about \$600,000 of the \$5.2 million list of unfunded departmental requests.

The new budget year begins Oct. 1.

Austin American-Statesman (TX)

August 12, 2004

Cedar Park budget, tax proposal in flux

City Council weighing whether to raise rate to pay for \$5.2 million of items not included

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- City officials will decide tonight where to set the cap on the city property tax rate for next year.

The council also will schedule two public hearings on the city's preliminary \$17.45 million budget, during which the tax rate may be lowered. The budget is scheduled to be voted on in September.

The City Council's choice boils down to this: to hold steady at the current rate of 46.8 cents per \$100 of assessed value, or to raise the tax rate to pay for some of the \$5.2 million worth of items not included in this year's budget.

Under current recommendations, the owner of a home appraised at \$145,898, the average home value in Cedar Park, would pay an additional \$1.89 in taxes next year.

Last year, the owner of an average-value home paid \$680.01 in taxes, without exemptions. Under the current proposal, the same homeowner would pay \$682.90 this year.

The proposed budget features a 5 percent raise for most city employees, who did not receive a raise last year, and a 3 percent step raise for civil service employees, who include police officers and firefighters.

"(City Manager **Craig Lonon**) did exactly what we asked him to do," Council Member Phil Duprey said. "We told him to balance the budget with the existing tax rate while including a raise for the troops. They certainly deserve it."

The budget also includes \$20,000 for camera equipment to televise City Council meetings, \$200,000 for street maintenance and funding to hire a city public information officer.

What's not in the proposed \$17.45 million budget are numerous requests from almost every city department, including \$1.28 million in requests from the Police Department, which asked for six new officers and 15 new vehicles, among other requests, and \$2 million from the Fire Department, which requested three additional firefighters, three drivers and other personnel, and funding to help upgrade the department's certification status.

The council has the option to add individual items from the list of unfunded items.

"I knew those were going to be limited funds, so I treated all those supplemental requests alike," **Lonon** said of his decision not to include the items in the budget.

Lonon also left out a Police Department request for an animal control contract with the Williamson County Humane Society and a request to build a new \$400,000 kennel for stray animals. The decision not to fund either request leaves the choice to the City Council.

"The city needs to get out of its old facility," **Lonon** said. "It has basically two choices: to build a new facility or contract out those services. We need to deal with one. We just need to decide which way to go."

The preliminary 2004-05 budget is \$1.3 million higher than this year's budget of \$16.16 million. It must be approved by Sept. 15, and was received enthusiastically by City Council members, some of whom support including extra services.

Duprey, who said he supports contracting out the city's animal control needs, at a projected cost of \$57,387, also said he'd like to find room in the budget to help the city library and increase funds for street maintenance. He said he supports the preliminary budget in all other respects.

"We have room to fiddle this year, if we want to," Duprey said. "We can, without affecting the rate much, do some good things."

Council Member Christie Goodman said she would consider raising the rate by 0.1 to 0.5 cents; that would raise the average bill between \$1.46 and \$7.29.

"I think that's certainly something I would consider," Goodman said. "I think we can't continue just struggling along and not maintaining the services we have."

She encouraged residents to attend the public hearings and voice their thoughts.

"This is their money being spent, and I want to know how they want it spent," Goodman said. "I need them to tell me."

Austin American-Statesman (TX)

May 20, 2004

Filling gaps in Cedar Park

New city manager needs to hire people for crucial positions

Author: *Anita Powell, AMERICAN-STATESMAN STAFF*

CEDAR PARK -- When new City Manager **Craig Lonon** takes the helm next month, he'll have more than one pair of boots to fill.

Lonon, fresh off 11 years as Conroe's city administrator, will have to find people for two crucial city positions: finance director and assistant to the city manager. "This is a slightly more than average turnover, but we've had precious little turnover for the past few years," Council Member Phil Duprey said.

Duprey said he thinks everything will settle in time. "Coincidences can look very strange," he said. "But there may not be a pattern there. It could just be a trick of the eye."

These are small hurdles, said **Lonon**, 50, who has worked in city administration since 1977. He's been Conroe's city administrator since 1993 and has watched the small city near Houston grow nearly 11 percent in the past three years.

Cedar Park has grown an estimated 42 percent during that time, according to the Texas State Data Center. The cities are roughly comparable in size: Conroe has about 3,000 more residents than Cedar Park's estimated 37,000.

"I've been working in the fast lane," said **Lonon**, who replaces ousted City Manager Robert Powers. "I consider Conroe to be a fast-lane community. I think I have that to offer. I see Cedar Park is growing rapidly. There are a lot of challenges with growth."

Finding good staff members won't be difficult, he said. "I've got about 10 to 11 key department heads in Conroe, and I've hired six of them since I was here."

Lonon plans to begin in mid-June, at a base salary of \$126,000. The City Council chose him from three applicants last week.

In November, the Conroe City Council narrowly voted not to extend **Lonon's** contract past the end of 2005. Council members said he had not met performance expectations and criticized his management style but denied that it was an attempt to fire him.

"It's been a good run and a great job," **Lonon** said. He would not comment further.

Duprey said the Conroe council's decision not to extend **Lonon's** contract didn't worry him. "He's been there, what, 10 years? They're not firing him for cause; the political dynamics changed over the years," Duprey said.

"I Googled him," he said. "I found out all sorts of things about him."

Cedar Park Council Member Scott Mitchell said **Lonon** seemed like the strongest candidate. "He has experience; he has a proven record; he has a commanding presence," Mitchell said.

His presence will help fill a power gap: In addition to needing a finance director and an assistant to the city manager, Cedar Park has been seeking an executive director for the tax-funded economic development corporation since last May. Until recently, the city was also missing a manager of planning and community development. There is no transportation planner, but the city is not seeking to fill that position. The city's job board also has some open lower-level positions posted.

And until last week's elections, one City Council seat was open after the March resignation of Cory Shields, who left in protest of the council's vote to fire Powers. Former Place 6 Council Member Andrew Rebber resigned in August, but his position was filled soon afterward.

The vacancies in the city's 300-employee work force are not a significant cause for concern, said Brenda Evans, assistant city manager and human resources director.

But resident Joe Yanosko, 70, sees the situation as cause for panic.

"Do you hear the bubbles coming into the boat?" said Yanosko, who used to work as a job placement officer for a city in Ohio. "It's like the ship is sinking."

If the city is a ship, its current captain is Sam Roberts, who's done double duty as public works director and acting city manager during the past month and a half. According to Roberts, his ship is afloat.

"Obviously, wearing many job hats at the same time can be stressful at times," he said. "But thanks to a lot of help from a lot of people, I think we're doing a good job."

Houston Chronicle

November 27, 2003

Conroe council denies Lonon term extension

Author: *BOB HOWIE, Houston Chronicle correspondent*

In a move council members say is more against automatic employment contract renewals and less about City Administrator **Craig Lonon's** performance, Conroe City Council voted 3-2 against granting **Lonon** an additional year's extension on his contract.

Without further council action, **Lonon's** contract will expire by the end of 2005. At that time, it's possible **Lonon** could be retained without a contract, or he could opt to leave city employment.

Lonon had no comment on the council's decision.

Councilman Jay Ross Martin said the council's action in denying the extension is a wake up call for **Lonon**.

"There are a number of performance issues Craig was asked to achieve last year that I don't believe - and some of the council members don't believe - have been achieved," Martin said.

Martin said **Lonon** has been told that his management style needs improvement and that he needs to work to improve his relationship with city employees.

"We need to have a city where the employees want to come to work, and I don't think we have that at the present time," Martin said.

Martin said he was concerned with "misrepresentation" on the part of **Lonon**.

Martin reiterated his previous contention that issues plaguing the police department construction project would play a role in **Lonon's** extension.

"But under no circumstances should this action be seen as an effort to fire **Craig Lonon**, and if that had been what we were voting on here, I would have voted against (firing **Lonon**)," Martin said.

Councilman Duke Coon, who was against last year's automatic extension of **Lonon's** contract, said the vote against the extension was nothing more than a policy decision.

"I think in any corporation, the CEO is reviewed (annually) and this action today should be considered as nothing more than what it was," Coon said.

Mayor Carter Moore said it was clear by council's vote that the issue of automatic renewals of employment contracts may soon become a thing of the past.

"It's clear to me that this is an issue we are going to have to take a look at," Moore said. "It's clear, too, I think, that this is something the council wants to have taken out of future contracts."

Internet – Newspaper Archives Searches
Lonon Craig
[Articles Appear In Reverse Chronological Order]

Conroe offers two types of employment contracts: those with automatic renewals and those without specific renewals.

City Attorney Marcus Winberry said the council's expressed desire to end automatic renewals on contracts is something his office will have to look into further.

"Right now, it's not appropriate for me to comment on this issue without further research," Winberry said.

Councilmen Billy Henry and Jerry Streater, who supported the extension for **Lonon**, could not be reached for comment.

Houston Chronicle

January 10, 2003

**Big messy mix of dirt, chemicals
Feds launch major cleanup of tainted site in Conroe**

Author: *DINA CAPPIELLO, Houston Chronicle Environment Writer; Staff*

CONROE - Remnants of the plant are strewn in pieces on a barren plain of orange dirt along Texas 105.

Stacked to one side are the green-stained railroad ties and black-encrusted telephone poles Conroe Creosoting Co. once produced. Metal cylinders, at one time stuffed with logs for chemical treatment, sit in rows waiting to be demolished, their sides rusty and full of holes from four decades of use.

And in the back of the lot, on land where chemical-soaked logs used to drip dry, earthmovers are carving a giant hole - a tomb for mounds of soil tainted with hazardous chemicals.

The work is part of a cleanup, launched by the U.S. Environmental Protection Agency in September, to dismantle, scour and bury much of the 146-acre property where Conroe Creosoting operated from 1946 to 1997. During that time, the company allegedly spilled and dumped the chemicals it used to treat wood, contaminating the soil as deep as 25 feet.

But unlike well-publicized Superfund cleanups, which can take years to accomplish and cost hundreds of millions of dollars, this project will be finished in seven months for \$5.5 million.

"We don't have time because we have a mess out here," said Pat Hammack, the senior on-scene coordinator.

The project - known as a "time-critical" removal - occurs under the federal hazardous waste program when pollution poses an imminent danger to human health and the environment, and cannot wait for the full Superfund process, which requires intensive scientific study and multiple steps.

Nationwide, removals outnumber long-term Superfund cleanups five to one, and as much as one-fifth of the country's population lives near a property where the EPA has had to expeditiously remove dangerous pollution.

"Removals are under way at various locations around our region continuously," said David Bary, a spokesman with the EPA Regional Office in Dallas. "There is more removal done on an annual basis than new work begun on Superfund sites."

But while removals are cheaper and quicker than long-term Superfund projects, the work is not always as thorough.

"It is not intended to be a final remedy," Hammack said. "It's whatever it takes to eliminate the immediate threat."

Bary said, however, there is little difference when it comes to the results. "Once we are done with our work, we have satisfied ourselves that it is in full protection of human health and the environment."

When environmental officials arrived at the Conroe Creosoting plant last September, the threat, as they call it, was obvious.

Soil was stained green from copper. Gobs of black creosote sludge were sprinkled in the dirt. The sweet smell of pentachlorophenol, another wood preservative, hung in the air. And streams of chemicals, with the telltale rainbow sheen, trickled from underneath equipment where the wood preservatives were mixed.

Contractors for the federal government started removing the contamination immediately, without much analysis.

And because of the danger, the agency did not attempt to find the company or person responsible before the work began. Conroe Creosoting had been vacant since 1997, when the owner died. But the EPA has not ruled out placing a lien on the property, which is now owned by a relative, to reclaim some of the cost.

"All of the factors haven't been studied enough. We get enough done to determine it's a threat," Hammack said.

City administrator **Craig Lonon** sees no problem with the cleanup. The city, he said, is accustomed to creosote waste. From 1988 to 1998, the EPA spent \$23 million on a controversial cleanup of United Creosoting Co. on Conroe's north side. Part of a subdivision built on the contaminated property was relocated and residents complained the remedy was insufficient.

Still, the city "has confidence in the EPA to handle the situation," **Lonon** said.

In many removal cases, officials are prevented from going further because of the cost. Except for extenuating circumstances, removals can cost no more than \$2 million each year. In fiscal year 2002, \$155 million was spent nationwide on removal actions. About 13 percent of that total was used in the five states in EPA's Region 6, which includes Texas.

But there is always the possibility the site will make the National Priorities List, a ranking of hazardous waste sites requiring the most attention - unlocking more federal dollars and ensuring a more extensive cleanup.

Federal and state agencies are still conducting tests to determine whether the contamination has moved off the property, flowing down creeks that wind through several poor neighborhoods.

Longtime residents remember the oily sheen that used to cover the surface of a nearby creek.

Each time it rains, water floods the row of houses propped up on cinder blocks along 13th Street where Elderedge Williams lives.

"I'm more concerned about what's downstream," said Williams of the cleanup. "If my property is contaminated, I want to find something else."

But even if pollution is found off the site, it may not be cleaned up as part of the current project.

"We may address it as part of the removal," Hammack said. "We may not address it at all."

Houston Chronicle

November 28, 2002

Conroe hourly workers get one-time cash payment in lieu of raise this year

Author: *BOB HOWIE, Houston Chronicle correspondent*

Conroe is spending \$284,342 to give its hourly, non-civil service employees a one-time cash payment in lieu of a pay raise this year. The money is coming out of the city's capital reserves - the city's savings account - and will be distributed among employees based on their years of service, said City Administrator **Craig Lonon**.

Employees with less than two years of service will receive \$900, employees with two years' service, but less than five years, will receive \$1,200, and employees with more than five years' service will get \$1,500.

Assistant City Administrator Chip VanSteenberg, who is also the city's chief financial officer, said the payments will be in a check separate from employees' regular paychecks and the amounts will be paid in a lump sum, minus deductions and taxes.

The checks will be distributed during the city's regular pay cycle. Based on seniority, the payments are similar to the \$81,000 that City Council recently approved for firefighters and police officers.

The issue of pay increases for Conroe's hourly, non-civil service employees was a flash point during the city's budget battle last summer.

"The staff recommendation to council was that, because of the decrease in revenue, pay raises should not be implemented this year," **Lonon** said. "Council members felt it appropriate, however, to find a way to make a one-time cash payment in order to help the employees through this downturn," **Lonon** said.

"The money was there, but it was in our savings account instead of our checking account, and the savings account is money we save for a rainy day and it is, after all, raining," he said.

Councilman Jerry Streater said he sees the payments as a way to help city employees through troubled times while preventing the city from incurring a recurring expense.

"The employees understand that this is a one-time payment, that it may very well not be repeated next year unless the economy turns around," Streater said.

Streater said City Council will be keeping a close watch on revenues for early indications as to what the budget constraints might be in fiscal year 2003-2004.

"We are certainly going to be watching this on a month-to-month basis from here on," Streater said. "It is important for council to know what to expect in terms of what our revenues are going to allow us to do next year and not just wait until budget time to find out," he said.

Houston Chronicle

July 18, 2002

Conroe will change accounting system to conform to new rules

Author: *BOB HOWIE, Houston Chronicle correspondent*

Conroe is changing its bookkeeping system to meet future requirements by the federal Governmental Accounting Standards Board. City Council approved spending \$40,000 to revise its accounting methods.

The new bookkeeping methods and presentation of financial statements will include more details about a city's assets, such as an inventory of streets, their value and what their replacement costs might be, said Assistant City Administrator Chip VanSteenberg.

There is presently no requirement for this kind of information to be included in a city's financial statement.

City officials said the new methods of financial reporting focus on more accurately reflecting a municipality's assets and liabilities.

Such information is key in determining a city's bond rating and debt classification, VanSteenberg said.

"It's a good time to do this so we can have time to make the conversion and see what we need to change," VanSteenberg told council members.

Councilman Duke Coon asked if it would not be better to keep the \$40,000 in the bank another year to 18 months and let the funds continue collecting interest than spending the money before the city is compelled to do so.

"Actually, we are going to have to spend the money anyway and it's better to do it now while we have time to work out any problems than wait until later," VanSteenberg replied.

City Administrator **Craig Lonon** also pointed out that when compliance with the rules becomes compulsory, the costs could actually climb above the projected \$40,000 mark.

"We don't know what the costs are going to be a year from now when the accountants have to do the work and it becomes a simple matter of supply vs. demand," **Lonon** said. "We could actually wind up spending more when that happens than what we are talking about spending now."

In other city business, council members unanimously agreed to a 99-year lease granting exclusive use of about four acres of land located in the McDade Estates flood plain.

Former City Councilwoman Cathy Smith and her husband, Basil, have agreed to maintain the property for the duration of the lease in exchange for being able to use it for private purposes.

Part of the land now under lease actually belonged to one of the Smiths' relatives prior to the 1998 flood which drove White Oak Creek to overflow its banks to lap at the Smiths' front door.

The Federal Emergency Management Agency bought out the property owners, demolished the houses on the tracts and handed the deed to the city of Conroe. Under the FEMA buyout plan, the city has to maintain the land in a vacant condition because development of flood plain property is prohibited under FEMA rules and the National Flood Insurance Program.

The Smiths plan to leave the tract undisturbed as a greenbelt.

Houston Chronicle

November 15, 2001

Cut and Shoot will buy water from Conroe

Author: *BOB HOWIE, Houston Chronicle correspondent*

Cut and Shoot is going to become a water customer of Conroe.

The city will purchase between 100,000 and 1.5 million gallons of water each month, said Conroe City Administrator **Craig Lonon**.

"It's a take-it-or-pay program that can be terminated with 180 days notice by either party," **Lonon** recently told Conroe City Council.

"They either use it or pay for it regardless. I know this sounds like a lot of water, but it's really not all that much compared to other water customers," he said.

City Council also agreed to modify the city's personnel policy to benefit employees who also are members of reserve military units that might be called onto active duty.

The action allows ways for the employees and the city to help preserve private-sector income levels for employees who, while on active duty, receive less compensation than their city jobs.

Lonon said the changes allow a variety of ways employees can use vacation, compensatory time and sick leave to bolster their military pay.

Houston Chronicle

November 1, 2001

Low rates to save city \$600,000 Interest dip gives boost for Conroe

Author: *BOB HOWIE, Houston Chronicle correspondent*

Lower interest rates will save Conroe \$600,000 over 15 years on \$7.2 million in certificates of obligation the city has agreed to sell.

The funding will provide for a variety of street improvements, a new fire station on Texas 242 and \$150,000 for a new police department mobile command center.

City financial adviser Frank Ildebrando said seven companies bid for the city's business and it was First Southwest Co. that offered the lowest rates on the certificates.

The company offered a rate of 4.35 percent.

"Definitely the bombings in New York affected the bond market and the cuts by the Federal Reserve brought the interest rate down to this level," said Chip Van Steenberg, assistant city administrator and chief financial officer.

"We had estimated we could spend as much as 5.25 percent in interest on the certificates when we made the projection last July, but the situation in New York certainly changed things."

As it now stands, the city will pay \$3.1 million on interest over the life of these certificates as opposed to \$3.7 million under the 5.25 percent projection, Van Steenberg said.

Meanwhile, the River Plantation subdivision can take a breather on proposed annexation by Conroe.

Two petitions recently showed up at Conroe City Hall - one requesting annexation, the other calling upon council members not to annex the southside subdivision.

"Staff has reviewed the petitions and has found the petition requesting annexation to be faulty," City Administrator **Craig Lonon** said, indicating an insufficient number of proper signatures existed on the document.

"The recommendation, therefore, is that council members reject the petition calling for the annexation and accept the one requesting River Plantation not be annexed," he said.

Houston Chronicle

September 20, 2001

City OKs incentive for home developer 400-unit project slated for Conroe

Author: *MIKE WARREN, Houston Chronicle correspondent*

Conroe City Council has put its money where its mouth is in a bid to encourage new residential development.

Council has approved the West Fork Tax Increment Reinvestment Zone to support a planned upscale residential development.

The zone will allow incremental taxes that occur from property value increases in the West Fork subdivision, a 400-home development off Texas 105 at Tink Calfee Road, to be used to reimburse developer Suzan Taylor for infrastructure costs.

City officials have sought ways to encourage new residential development since 1998, City Administrator **Craig Lonon** said.

"Conroe competes against municipal utility districts," he said. "MUDs rebate 70 percent up front to developers for water and sewer costs. It's more lucrative for developers to build outside the city. Our goal has been to turn that around."

Lonon noted that only the city is participating in the reinvestment zone.

Both Montgomery County and the Conroe Independent School District declined to join the TIRZ, he said.

The school district's board of trustees heard the developer's presentation for the zone, but the district is prohibited by law from participating in it, said Nicole Segura, a school district spokeswoman.

The county considers the reinvestment zone as being similar to tax abatement and has had a long-standing policy of not granting tax abatements to residential developments, said County Judge Alan B. Sadler.

"You have to draw a line somewhere when you're dealing with tax dollars," he said. "We offer some aggressive abatements to businesses to bring people into the county."

Said **Lonon**: "I'm just excited to see the TIRZ happen. Once we get it going, we feel we can back off it. Maybe we can have future developments without incentives."

In other business, City Council:

Approved the annexations of five tracts, including 91 acres adjacent to Panorama Village on the north side of League Line Road; 536 acres owned by Eugene Campbell near the Conroe North Industrial Park; 157 acres (the Del Lago Golf Course); 237 acres (the West Fork subdivision);

and the 17-acre Porous Media tract, about one mile west of the intersection of Texas 105 and Loop 336.

Conducted a public hearing, as required by law, to announce the planned annexations of the League Line/Longmire, Crighton Ridge and Woodgate/Underwood tracts.

Authorized changes in the city's health insurance plan and premiums for the upcoming year. Changes include doubling of office co-pay charges from \$10 to \$20 and a limit of six physician office visits per year in which the co-pay is charged. After that, the deductible must be satisfied and the employee must pay 20 percent of costs.

Set a \$100 fee for non-consent, police-ordered towing. City Council increased the fee last month on a temporary basis from \$75 to \$150, but upon further review decided to set a permanent fee of \$100, **Lonon** said.

Approved revised guidelines for the downtown building facade renovation program. Under the revision, only property owners may apply for loan funds. Previously, business owners were eligible to apply.

Houston Chronicle

August 2, 2001

Fire station price tag up for Conroe City Council still OKs \$1.3 million contract for facility

Author: *MIKE WARREN, Houston Chronicle correspondent*

Conroe has awarded a \$1.3 million contract to build a new fire station near Trade Center Boulevard and Harper's Landing in The Woodlands.

City Council, resigned to the fact the facility was going to cost more than anticipated, unanimously awarded the contract to Trimble & Stephens, although the winning bid was \$219,000 more than anticipated.

"We weren't expecting to pay \$146 per square foot for this fire station," said Chip Van Steenburg, assistant city administrator. "We were expecting to pay more in the line of \$120 per square foot.

"We called several area departments to see what they pay per square foot, and it ranges from \$100 to \$208 for Houston. That made me feel a little better - that we were in the typical range," he said.

The 9,400-square-foot fire station is neither large enough nor small enough to generate much interest from contractors, Van Steenburg said.

"We're a little bit shocked, but we recommend you go for it," City Administrator **Craig Lonon** said to council members, who unanimously approved awarding the contract rather than choosing to re-bid the project.

The city had committed to begin providing fire protection service in the location by Jan. 1, 2002.

However, the completion date at the station is slated for March 1, and re-bidding the project would set it back another two months, Van Steenburg said.

If that happened, the area would remain in an emergency service district and get taxed by that district for another year, he said.

In other business, City Council:

Set a public hearing at 9:30 a.m. Aug. 9 on the proposed 2002 budget. In a workshop session, the proposed 2002 budget was unveiled at \$3,690,475, compared with the 2001 budget of \$3,123,014.

Van Steenburg said he didn't anticipate any tax increase. The current tax rate is 42 cents per \$100 assessed property value. Both the tax rate and budget are scheduled to be adopted at the Aug. 23 City Council meeting.

Approved an agreement with the city of Willis to allow Willis to have a portion of its sewage treated by the city of Conroe's sewage treatment plant.

Internet – Newspaper Archives Searches

Lonon Craig

[Articles Appear In Reverse Chronological Order]

Approved the Community Development Block Grant 2001 Annual Action Plan for disbursement of \$557,000 from the U.S. Department of Housing and Urban Development. The 2001 plan includes City Council's request for \$73,000 to be spent for code enforcement and demolition and clearance of condemned structures.

Houston Chronicle

April 29, 2001

Park issue enrages Conroe community Residents demand name be changed

Author: *HARVEY RICE; Staff*

CONROE - Councilwoman Cathy Smith sat grimly in her high-backed leather chair during a City Council meeting last week and silently endured scathing criticism from members of the city's black community.

Smith, who is white, had worked hard to develop a 25-acre park for the estimated 3,000 people in the blighted Dugan community, home for the bulk of Conroe's black population.

She had allied herself with the only black council member and appointed an advisory committee from the black community that agreed to name the new park after an adjacent street, Avenue M.

Now that the park was under construction, instead of gratitude, she was getting a tongue-lashing.

The advisory committee was a sham and the park's name was being imposed on a community whose wishes are largely ignored by the city, she was told.

The speakers put the council in this city of 37,000 on notice that the black community would at long last assert itself by demanding to name the park after a black resident.

"You and your handpicked committee seem to be dead set against it," scolded Beulah White, 67, widow of prominent law enforcement officer Spencer White. "Why is it that everything we ask for is a struggle?"

The Rev. William Denman, pastor of the Temple of Faith nondemominational church, asked Smith to dissolve the committee, which he accuses of being remote from community concerns.

The Rev. Patrick Stuart, head of the local chapter of the National Association for the Advancement of Colored People, stalked out of the meeting after telling Smith, "Your actions are a shame."

The dispute, reflecting divergent viewpoints in the black community, grows increasingly bitter.

Smith said she complained to the police after a member of the Citywide Brotherhood, a religious service group, phoned her at home and threatened to destroy the park unless it was named after a black resident.

Citywide Brotherhood spokesman Carl White, the son of Beulah White, accused Smith of concocting the story.

The dispute over the park's name has united Stuart, who has a reputation as a firebrand with a confrontational style, in an uneasy alliance with several churches and the Citywide Brotherhood.

Members of the alliance view the dispute as a symbol of the black community's ability to take control of its own destiny without the paternalism and condescension they say is shown by city government.

"Our community is the most neglected community in Conroe," said Carl White, a 44-year-old electrician.

"They are giving us what they want to give us, not what we need," said Brotherhood member J.D. Dixon, 50, a customer-service representative.

The park issue is the first of many they plan to pursue, including the naming of a street after Martin Luther King Jr. and a switch from at-large to single-district elections.

Although the local NAACP president tends to view the dispute in racial terms, Citywide Brotherhood does not.

"Our organization, the Brotherhood, has been helped by so many white people," White said. "The relationship between black and white, it's not low, it's not high, it's just in between."

Dixon called the dispute a class issue.

"In politics, if you don't have money, you don't have a voice," he said. "They aren't used to a black going up there and asking them to do something."

One of their white supporters is Starlett Curry, a former mayor and a political enemy of Smith's.

"They have said they lack representation and they know better than I," she said. "They are just trying to accomplish something for the community."

Smith, regarded as one of the more powerful members of the council, and black members of her committee view the insurgents as troublemakers lacking community support.

"This was my dream, to have a 25-acre park," she said. "It just really bothers me that now that the park is almost finished we're getting into this controversy."

Smith, who appointed the 10-member park committee in 1997, said no one objected to the name of the park when she made 15-minute presentations to select churches in the Dugan neighborhood that year.

She shows no sign of changing her mind now.

Gary Chapman, a Montgomery County Appraisal District employee and a black member of Smith's committee, said naming the park after someone in the black community might offend those not chosen.

The committee chose the name Avenue M to avoid controversy.

Chapman, 40, also said the Dugan community has a substantial and growing number of Hispanics who have had no say in choosing a name for the park.

Stuart said the neighborhood remains mostly black.

Chapman, who says the city treats Dugan just like any other community, blames its blighted condition on black inaction.

"There are no black restaurants and hotels because we don't pull together," he said.

The alliance accuses Billy Henry, the only black member of the council, of following Smith's lead instead of standing up for black residents.

Henry, against whom Citywide Brotherhood member White ran unsuccessfully in the last election, said he prefers to get things done quietly.

"Some of them just want to be on center stage," he said of his critics.

City Administrator **Craig Lonon** dismissed claims that the city ignores Dugan.

"The streets are in excellent shape," he said. "There is a regular maintenance program."

Lonon has clashed with the Brotherhood over its requests for city assistance in its monthly cleanup efforts, but he has provided trucks to haul away debris.

"All they want is what they want, and sometimes you just can't help them," **Lonon** says derisively. "You talk to folks that don't want to listen - that's what you run into."

Dixon and White accused **Lonon** of rebuffing their attempts to build a good relationship with the city. "He treats us like children," White said.

They also say the Brotherhood often cleans up city-owned property.

Through its monthly cleanup efforts, the Brotherhood has won the support of Sylvia Reyna Wiggins, a Hispanic who is president of the Conroe Beautification Association.

Wiggins wants to name the park after the Citywide Brotherhood because it has erased so many eyesores.

"Action has been the namesake of this Brotherhood," she said.

Allowing the community to name the park would give residents a stake in its upkeep, she added.

The alliance began a petition drive about a week ago and plans to submit signatures seeking a council vote on the issue.

Houston Chronicle

February 14, 2001

Conroe acts to fuel home development; OKs utility rebate for residential project

Author: *MIKE WARREN, Houston Chronicle correspondent*

Hoping to fuel residential development, Conroe's City Council has approved a \$1,500-per-house sewer tap rebate for a planned 190-acre development just inside Loop 336 in the southwestern quadrant of the city.

The city agreed to pay the rebate to the Lipar Group, which plans to build 163 houses in its first phase of construction.

Encouraging development by offering a utility rebate is easier than doing so by creating a Tax Increment Reinvestment Zone, or TIRZ, City Administrator **Craig Lonon** said.

"We have looked at developing a TIRZ three times, but haven't been successful," he said. "In a TIRZ, the city gives up taxes to encourage public improvements for 15 years. We find this proposal a lot easier to do. There's a lot of work to develop a TIRZ."

Lonon said the developer asked the city for help because it will be more expensive to install sewer lines in one-acre lots than it is in most subdivisions, which have much smaller lots.

The rebate is not unprecedented. Conroe recently agreed to reimburse the developer \$1,200 per tap when the city annexed the Teaswood subdivision.

The rebate agreement will remain in effect for seven years and the city will not provide a rebate until home construction has begun.

The city has been especially hopeful of increasing residential development within the Conroe High School attendance zone.

Lonon said that increasing attendance at the high school makes good economic sense for the Conroe school district because there is room for 4,000 students and the current enrollment is about 3,000.

"This may be the stimulus we need to start immediate development in our community," **Lonon** said. "We think if we can get a few developers going the rest will follow. We've tried to open our doors and ask how we could help."

Houston Chronicle

December 20, 2000

Conroe annexes 4,000 acres

Author: *MIKE WARREN, Houston Chronicle correspondent*

Conroe has beefed up its boundaries with the annexation of nine parcels totaling more than 4,000 acres.

Included in the land annexed were 327 acres formerly owned by The Woodlands Land Development Co.

City Administrator **Craig Lonon** said the deal could net Conroe \$2 million to \$3 million a year in sales tax revenue.

The property, located on the west side of Interstate 45 and north of Texas 242, was within Conroe's extra territorial jurisdiction.

A Garden Ridge store is under construction on the land and a number of other retail stores are planned for the property.

"This increases our tax base and adds more residents," Mayor Carter Moore said. "There will be more sales tax dollars in the southern quarter of the city (from the 327-acre tract), so it's good for the city. And, for the most part, these annexations were voluntary."

Other areas annexed include 547 acres encompassing the Teaswood subdivision on League Line Road; 207 acres near Pearson Road and the Willowridge subdivision; and 1,968 acres near I-45 south of Crighton Road.

To provide police, fire and emergency medical service to the newly annexed areas, the city plans to build a police and fire annex on land donated by The Woodlands Land Development Co. adjacent to the 327-acre tract and a fire department annex on Longmire Road, Moore said.

The city also will hire additional police officers and firefighters to meet the increased demands for services, he said.

Cut and Shoot

Allen Johns, director of Montgomery County Emergency Medical Services, has outlined a new pilot project that will ensure a paramedic is on duty at all times in Cut and Shoot, City Secretary Amy Wade said.

"EMS has a crew at our fire station now, but they aren't always there," she said. "If there is an accident or other emergency in Conroe, this ambulance has to cover for the station up there."

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Under the pilot program, the ambulance would be replaced by a sports utility vehicle and a paramedic on duty 24 hours a day, seven days a week, who is assigned to answers calls in Cut and Shoot. The six-week pilot program will begin in mid-January, Wade said.

In other business, City Council heard a preliminary proposal by Partners Capital Limited on water taps that would be needed in Crockett Trace, a new subdivision.

Houston Chronicle

October 18, 2000

Conroe may tighten rules for mobile food vendors

Author: *BOB HOWIE, Houston Chronicle correspondent*

Mobile food vendors who dole out food and beverages in Conroe may soon face more stringent regulations because city officials say some of them are not really "mobile."

"The problem is that the mobile vendor (permit) was never intended to allow someone to set up what amounts to a permanent location," said City Administrator **Craig Lonon**.

State laws and city ordinances spell out the requirements individuals must meet in order to have a fully licensed and health department-approved mobile vending unit, **Lonon** said.

"The idea behind the operation of mobile vendors is that they prepare food and beverages that are sold at one location, but are then carried to a different location for consumption," **Lonon** said. "While some vendors are complying with that understanding, such is not the case with some others."

Lonon gave as an example a mobile vendor who proceeded to set up a more-or-less permanent site in the parking lot of a Conroe convenience store.

The vendor set up some tables where patrons could sit down and eat, but made no provision for any kind of restroom facilities normally associated with permanent locations, he said.

"There have been numerous cases where mobile vendors have set up tables and washed down their locations, washing lettuce and tomatoes into the street," **Lonon** said. "The city cannot permit that sort of thing to continue happening."

Lonon said the city is going to revamp and strengthen its ordinance to tighten the definition of mobile vending and bring all vendors into compliance with state laws.

"If someone wants to be a mobile vendor, the city of Conroe has no problem with that, but the city wants them to comply with the laws," **Lonon** said.

Houston Chronicle

December 26, 1999

Boom brings big-city issues to small town

Author: *HARVEY RICE; Staff*

CONROE - When a company announced in October that it planned to put a power line through The Woodlands, the jewel of planned development in Montgomery County, the opposition came together quickly.

For many residents, especially those who had come from Houston, the proposed line represents a threat to property values and a potential 90-foot-tall eyesore to remind them of the urban problems that they had moved to The Woodlands to escape.

The controversy spotlighted a paradox: By escaping to Montgomery County, those who left urban areas have become part of an exodus to the suburbs that brings with it many of the problems they fled.

"That kind of exemplifies what happens with growth," said David Hitchcock, associate director of the Center for Global Studies at the Houston Advanced Research Center. "Along with growth comes physical change in the environment."

The rush to the suburbs already has made Montgomery County an economic rival to Houston, competing successfully for population and business, said Barton Smith, director of the Institute for Regional Forecasting at the University of Houston.

The county's population swelled from about 50,000 in 1970 to about 270,000 in 1998, and is expected to grow by 100,000 more residents by 2005, according to figures presented to county commissioners in October.

With the average valuation of housing rising from \$87,000 to \$94,800 this year, taxable values in the county rose \$1.2 billion, mostly as a result of new improvements, said Tax Assessor-Collector J.R. Moore Jr. He said preliminary figures indicate an even larger increase in 2000.

The ballooning tax receipts enabled the county to make more improvements without increasing tax rates, Moore said.

Even the county's less developed east side is cashing in on the boom. Brian Smith, head of the East Montgomery County Improvement District, said that lubricant maker Royal Purple Inc. decided recently to move its world headquarters to Porter.

The county is building a convention-exposition center, The Woodlands is planning a convention center-hotel complex to complement a huge, Venice-style commercial development, complete with a canal and tram, and Conroe is carrying out an ambitious downtown redevelopment. The rewards of growth include more jobs, a bigger tax base and a booming economy.

But growth also brings crowded schools, traffic jams, more crime and the specter of a declining quality of life. While The Woodlands has been the site of protest over one of the more obvious manifestations of growth - the proposed power line - it is likely to suffer the least from the breakneck growth in the county, Hitchcock said.

"The Woodlands will be fine because it is planned, but a lot of people will become upset because it will become a lot bigger place than it has been."

But Hitchcock said he is concerned that unplanned development in the rest of the county could lead to unforeseen problems.

Hitchcock worries that hodgepodge development will turn county roads, such as FM 1488, which connects The Woodlands and Magnolia, into unsightly strip development "with curb-cut after curb-cut and stoplight after stoplight."

"It's almost bound to occur along rural highways in the county without control," he said.

"Basically, these communities are semirural, having to learn to grow up quickly, and learn that they are semiurban," Smith said. "This transition is happening so rapidly that they are not being given a lot of time to rethink themselves as an urban community.

"In Montgomery (County), they don't have a lot of time to spare," he said. "They are adding thousands of people a year and they need to start thinking about a planning process and about a vision of themselves as an urban area."

The ability to plan and control growth is limited, however. Conroe, the county seat and the largest city, has no zoning.

"We have typically followed Houston as a big brother," said City Administrator **Craig Lonon**.

Houston, notorious for its unplanned growth, is one of the few large cities in Texas that has refused to adopt zoning ordinances.

"If Houston ever gets zoning, it will probably come down to the rest of us," **Lonon** said.

Conroe does, however, use ordinances to exert some control over development within an area extending beyond the city limits. For instance, it requires that new commercial developments be screened by trees, **Lonon** said.

The city also provides water and sewer service, giving it additional leverage. **Lonon** said Conroe is building three major sewer lines and 50 miles of water lines to meet growth needs.

County Judge Alan Sadler said county commissioners have even less ability to control growth.

"We don't have the ability to pass an ordinance, period, like a city does," Sadler said. "All we could do is be sure every subdivision is developed properly. We can't say no just because we don't want a subdivision in that area."

The county also has no control over sewer and water services.

"We would probably like to have some more authority, but there is a fine line there," Sadler said.

Although he is wary of governments having too much power over residents and developers, Sadler said, "on the other hand, we need enough power to make sure we maintain the quality of life in Montgomery County."

The chances of increasing such power are slim. The Legislature has long opposed counties' efforts in that regard, Sadler said, although he would like more authority over sign-age and green space.

"That would take care of a lot of complaints I have heard about growth," he said.

The rapid growth also is straining schools.

The Conroe Independent School District, the county's largest, has added 1,200 to 1,400 students each year since 1990, said Charlie Patterson, deputy superintendent for administration.

Voters in the district approved bond issues in 1992, 1994 and 1998 to keep up with rising enrollment, he said. The district has built 11 schools since 1990, has a junior high under construction, and plans to build two elementary schools next year.

Yet construction can't keep pace. The district is using 150 portable classrooms at 40 campuses, Patterson said.

"We're no different from any other fast-growing county, like Fort Bend County," he said. "There is no way you can keep up with the need for classrooms."

The 33,500-student enrollment is expected to grow to 40,000 in the next five years, Patterson said. And as the district grows and gains property wealth, it loses state funding under laws equalizing aid among districts.

"It just makes it a challenge sometimes to keep the level of funding up to where it needs to be," said Brian Miller, district chief financial officer.

Moore, the county tax assessor-collector, said the school district loses \$1 of state aid for every \$1 of new tax revenue. Although a change in state law gave the district more money to help pay off bond issues this year, school officials have cut 90 administrative jobs and \$11 million in support services in the past seven years to compensate for reduced state aid, Miller said.

Growth also has raised the cost of law enforcement, which Sadler said accounts for about half of the county budget. He said 150 new law enforcement-related jobs were added over the past eight years, and Sheriff Guy Williams recently received permission to add 20 support positions.

The county jail, which held 42 prisoners when Williams started as a deputy in 1976, now houses 663, and a jail addition is under construction.

Growth also has brought big-city crime and traffic. The Sheriff's Department formed a Gang Task Force in 1997, as well as a traffic unit.

Traffic congestion already bedevils many residents, especially on Interstate 45, where it narrows in two places: before The Woodlands and between The Woodlands and Conroe.

Sadler said a new north-south corridor is desperately needed to ease congestion on I-45. The cost of county road improvements "continues to strain the budget every year," he said, forcing the county to depend on federal funds for major construction to handle increasing traffic.

New construction was put on hold this month when the Federal Highway Administration ordered road projects suspended because the Houston area, which includes Montgomery County, failed to comply with federal air quality standards.

Officials in the county are aware of the growing pains, said Barton Smith, but it may be too late.

"The current politicians are beginning to see the problem and the need," he said. "The problem is that politicians needed to come to grips with that 20 years ago."

Houston Chronicle

June 13, 1999

Conroe pumps new energy into its downtown

Fresh look, investment revitalizing area

Author: *PAUL McKAY; Staff*

CONROE - For many years, discussion about reviving downtown Conroe fed the skepticism of those who noticed that the talk never progressed beyond lip service.

Meanwhile, downtown businesses went belly up or moved on to more vibrant parts of town. Vacant buildings around the Montgomery County Courthouse steadily crumbled behind fading facades.

And with the notable exception of the Crighton Community Theatre - a historic relic that presents plays and other entertainment as many as 30 weeks out of the year - downtown became something of a dead zone every day at 5 p.m.

But the talk of the town these days concerns the ever-more-noticeable changes downtown completed or initiated in the last two years. The city, county and Greater Conroe/Lake Conroe Area Chamber of Commerce are involved in efforts to pump new life into the 9-square-block area.

"There's a lot of construction and activity downtown now, and people are starting to talk about it; they're really starting to notice," said lawyer Gilbert Garcia, who has a downtown office and is chairman of the chamber's downtown revitalization project. "This isn't just some temporary thing that will bring on a little change here and there."

Indeed, the city is committed to spend about \$1 million to replace concrete sidewalks with bricklike "pavers" and add attractive lighting fixtures around the square. The Chamber of Commerce recently moved from a small building on the fringe of downtown to a \$1 million facility with about 8,500 square feet, located on Davis Street - downtown's main drag - just south of the courthouse.

Across the street from the chamber building, a new Wells Fargo Bank branch is under construction next to the bank's existing building, which will be torn down and replaced by a Walgreen pharmacy.

With the aid of federal and state grant funds administered through the city, new facades are going up on some of downtown's oldest buildings.

The county, meanwhile, has invested millions of dollars to convert an office building across the street from the courthouse into an annex, which is linked to the courthouse by a new skywalk. The exterior of that pedestrian walkway will be dressed up with a tile mosaic of a logo calling attention to the fact that Montgomery County is the birthplace of the Texas flag.

A local community newspaper also is planning to move its offices to an old downtown icehouse it is restoring.

"We've always said that downtown ought to be attractive, so we've worked on the aesthetics," said Conroe City Administrator **Craig Lonon**. "We wanted some visible changes that people could actually see and take notice that we're making downtown more attractive. Now, we want to concentrate on making downtown a more vibrant place."

The city has hired a Virginia firm that specializes in refurbishing downtown districts to produce a report on how to achieve the desired vibrancy, **Lonon** said. The firm recently held a public meeting at City Hall, where more than 100 residents aired their ideas on how to attract more downtown businesses or come up with the right mix of restaurants, retail shops and entertainment venues.

Some downtown tenants and city officials say the revitalization unofficially started about five years ago, when the City Council bought a six-story tower from a bank that was leaving downtown. Most of the city offices were moved to the building. The chamber tore down the former City Hall and central fire station to construct its new building as a sort of commitment to a new and improved downtown landscape.

"We wanted to maintain a presence downtown," said Tom Stinson, director of the chamber-related Greater Conroe Economic Development Council. "What better place for the chamber to be than downtown?"

Garcia, whose enthusiasm is credited by local government and chamber officials for much of the project's success, said the skeptics who never thought they would see discussions turn to action will be pleasantly surprised by the coming improvements.

Houston Chronicle

April 19, 1998

**Firefight in Montgomery County
Heated dispute chokes dialogue
Conroe chief at odds with his peers**

Author: *PAUL McKAY; Staff*

CONROE - The optimists say there is no cause for alarm over a meltdown in relations between the Conroe Fire Department and most of Montgomery County's other firefighting forces.

Those of a more pessimistic bent fear that a catastrophe could result from the bitter dispute over a mutual-aid contract that finds Conroe Fire Chief Bland Ellen at odds with most of his counterparts in the 17-member Montgomery County Fire Chiefs Association.

Relations between the Conroe department and others in the association were neighborly for more than 10 years, when every department in the county - including Conroe's - honored an "automatic mutual-assistance agreement" in the spirit of "all for one and one for all."

Nowadays, Ellen and his adversaries from the county's other fire departments can't even agree on whether the agreement is already void or if it expires April 30.

"A lot of misinformation has been spewed, some of it intentional and malicious, in an attempt to make it look like the Conroe Fire Department withdrew from a mutual-aid agreement - which Conroe did not even do - because Conroe doesn't care if the rest of the county burns down," Ellen said. "It's just a ridiculous attempt to make Conroe look like the bad guy."

The contract that held up for years was a simple, one-page document that called for any fire department in Montgomery County to automatically assist any other department "in the event of a significant fire or emergency."

It worked in such a way that if a fire occurred, for example, in the Grangerland area - just south of Conroe - the Conroe Fire Department would automatically respond. Firefighters from other departments, meanwhile, would move in to cover Grangerland and Conroe.

"The bottom line is that before Bland Ellen came to Conroe, the city of Conroe and the county's other fire services had a pretty equal sharing of resources," said Jimmy Williams, an assistant chief with the North Montgomery County Volunteer Fire Department. "Since the day he came, he's instituted policies discouraging his people from calling for assistance from other departments.

"He's changed his response policies to limit the number of responses that other departments make into Conroe. We don't know if it's intentional or not, but in doing this he's been able to skew the numbers to make it appear that the county (fire departments) receive more resources than they contribute back to the city of Conroe."

The outspoken Williams, a county fire marshal's investigator who for years was chief of the Willis-based north Montgomery County department, alleges that Ellen - who was assistant chief in College Station before coming to Conroe - set out to torpedo the long-standing mutual-aid system for self-serving reasons.

"Many times I've heard (Ellen) say - and a lot of chiefs have heard the same thing from him - that he doesn't like the mutual-aid system because it keeps the city from getting more firemen and more equipment," Williams said. "One of his favorite sayings is, 'The only way we're going to get more firetrucks or firemen from City Council is if somebody's house burns down.'

"With him, it's basically about building up the Conroe Fire Department. It's all about him building up his budget, his department and his reputation so he can go to a bigger and better fire department."

Ellen dismisses such accusations as "a lot of poisonous rhetoric."

"Jimmy Williams has said that stuff since the day I came here," Ellen said. "I won't even respond to something that silly."

Some of the fire chiefs complain that they accommodated Ellen when he insisted that the original mutual-aid pact be revamped.

"We rewrote it for him and then he wouldn't sign it," said Jason Oliphant, chief of the Cut and Shoot Volunteer Fire Department.

Ellen insists that it wasn't him or the Conroe department that withdrew from the old agreement. He points to the signatures of other fire chiefs on a document in which the wording says they "wish to withdraw from any previous agreements to provide Mutual Aid in Montgomery County."

"I want to make it clear that the city of Conroe did not withdraw from mutual aid or anything else," Ellen said. "(The other chiefs) withdrew in a tactic trying to drive us back to the table.

"This whole issue comes down to two words that we want in an agreement, and those words are 'mutually agreed,' " Ellen said of Conroe's position. "(The county chiefs) took those words out of the new agreement at the last minute, and now try to make me look like the bad guy for not signing it. What we're saying is that if they are going to use Conroe's resources on an automatic basis, Conroe needs to be involved in deciding what units are going to go and under what circumstances. I think that's reasonable and fair, but with them everything is their way or no way."

Williams contends that it was not the chiefs' association that spiked the old agreement. He said that the chiefs gave Ellen 30 days - until April 30 - to sign the new agreement and that Ellen immediately refused.

Conroe City Administrator **Craig Lonon** says he and other city officials encouraged Ellen to cut down on responses outside the city when Ellen first became chief in 1995.

"We have a very good fire department, and it seems that everybody wants us to come in and fight their fires," **Lonon** said. "Conroe has gotten bigger. We've got more territory to protect, more traffic, which means more accidents to respond to.

"We've got more demands than ever, and we told Bland a couple of years ago that we need to focus on Conroe first and serve as backup second. I think that's what Bland is trying to do."

Ellen said that because other departments already have withdrawn from the mutual-assistance agreement, Conroe is no longer responding to their calls.

"My firefighters are professionals, and they don't like it that they can't go out and help people, but (the county chiefs) are the ones to blame for creating a situation in which there is no agreement, and we cannot go out because of liability and insurance reasons," Ellen said.

Some officials fear that the impasse could result in a catastrophe because Conroe won't have access to the pool of county resources it used to have in the event of a major fire or other emergency.

Ellen maintains that Conroe residents are safe and says that "if worse comes to worst, we'll get aid from somewhere."

He notes that two of the county's departments that still have automatic aid agreements with other departments have agreed to individual mutual-aid pacts with Conroe. Those two are The Woodlands Fire Department, which is the county's largest and one that, like Conroe, has an all-paid, full-time staff, and the Magnolia Bend Volunteer Fire Department, a small force adjacent to Conroe that has 15 active volunteers.

Magnolia Bend Chief Donita Rhodes said her department needs Conroe's resources and access to the pool of county resources as well and is trying to remain neutral in the dispute.

"I sat down with the Conroe people a year ago and worked out a mutual-aid agreement with our (Magnolia Bend) department," Rhodes said. "We're such a small department that it had gotten to where Conroe was coming into Magnolia Bend quite a bit, and Bland Ellen and his people sat down with me and said, 'Look, we'll come in on high-hazard calls, but try not to call us for everything.'

"Bland was a little abrupt at first, but we were able to talk things out. We came to an agreement," Rhodes said. "I don't know why everybody else can't sit down and do the same thing. They're having a little war, and I don't want to have to choose one side over the other. It's gotten so it's not about helping people. It's about who's going to get in the last word."

Houston Chronicle

December 23, 1997

Annexation challenged

Author: *Staff*

CONROE - A Lake Conroe resort has filed a lawsuit challenging its Dec. 11 annexation by Conroe.

Del Lago Partners - a limited partnership that owns Del Lago Resort on Lake Conroe - contends the resort and hotel do not legally lie within Conroe's extraterritorial jurisdiction.

The suit, filed in state District Judge Fred Edwards' court, also said the resort is not adjacent or contiguous to the city's existing boundaries.

City Administrator **Craig Lonon** said City Council unanimously approved the annexation in the belief it would meet the legal challenge Del Lago had threatened.

Conroe for years has collected hotel occupancy taxes from Del Lago. **Lonon** noted, however, Conroe can collect the 6 percent tax only as long as its population, now about 30,000, is less than 35,000.

Del Lago is part of a 365-acre tract taken in this month's annexation.

Fort Worth Star-Telegram

May 14, 1994

Bedford evaluates results of tax option

The proposal calls for a sales tax increase that could lower property taxes significantly.

Author: *LAURA GRAE KILBORN; Star-Telegram Writer*

BEDFORD - The city is studying whether a sales-tax option new to Northeast Tarrant County would be more likely to provide much-needed capital for projects while easing the burden on homeowners - or create a budgeting nightmare.

The "property tax relief" proposal, which would increase Bedford's sales tax rate to 7.75 percent from 7.25 percent, would lower property taxes about 23 percent, proponents say. Then, residents could vote on projects placed on the ballot by the City Council. That would let them raise taxes enough to pay for projects they approve.

"I feel this proposal gives more control to the citizens," said Danny McDowell, who was recently elected to the council after touting the plan during the campaign. "The voters can decide if they want to give back some of what they've saved. Or, they can vote against projects that would raise their property taxes."

But city administrators are taking a cautious approach to the option, which has been approved by voters in more than 100 Texas cities since its inception in 1989. They say there are many variables that could harm economic growth.

"There's implications that are far-reaching," that could affect city budgeting for years, City Manager Jim Walker said. He said it is difficult to guarantee that property taxes would stay down because cities cannot predict changing business conditions and sales tax revenues.

The option could be on the Bedford ballot in January, pending the outcome of a 60-day exploration of the tax and how it works in other cities, city officials said. "We want to visit when they put it in. The long range is what we want to look at," said Bill Ridgway, the director of economic development who will visit up to a dozen cities collecting data and analyzing results.

Several Texas cities are finding that the option works for them. For example, voters in Conroe, a suburb north of Houston, overwhelmingly approved the sales-tax increase two years ago. Since then, the property tax rate has dropped by one-third, from 64.9 cents per \$100 valuation to 43.86 cents.

"When you tell the voters you're going to lower their property taxes and you do, I think it provides confidence," city administrator **Craig Lonon** said. city administrator. "What you're asking voters to do is let people come in from outside - people who use the streets and other services - and pay for those services."

The sales tax increase Bedford is analyzing is one of two options that cities can offer voters. The first, dedicated to economic and industrial development, has been approved by voters in Hurst,

Eules and North Richland Hills. Revenue from that tax is also used for parks and recreation projects.

The second option allows cities to reduce property taxes by the amount of revenue that the increase is expected to generate. If Bedford residents approve this option, they could vote on specific projects placed on the ballot by the City Council, thus raising their property taxes by the amount necessary to pay for the projects.

Based on city figures, McDowell has estimated that the property tax rate of 43.95 cents per \$100 value will drop by about 23 percent to about 34 cents per \$100 value if voters approve the reduction option and do not approve new projects. The average homeowner pays about \$475 in property taxes on a house valued at \$108,000.

If voters approve the tax in January, businesses will begin collecting the increased sales tax in October. Property tax rates are determined during the fall budgeting process. Homeowners would pay the new rate starting Jan. 1.

But Walker, whose staff did preliminary research on the option while examining the economic development tax, said it could bring short-term comfort while causing long-term headaches.

"We like constants in city government," Walker said. "The only variable is if people don't pay their taxes," and there's redress for that, he said.

If the option is adopted, several factors could wreak havoc with planning, he said. For example, home appraisals could unexpectedly drop or the state could run into snags collecting the revenues and rebating them to the city, which the state comptroller's office said usually takes two months.

Walker also said it is difficult to predict how much sales tax revenue will come in, the sum that would determine how much the property tax rate would drop. Although officials have predicted that they can raise \$1.6 million in annual revenue if residents approve the similar, so-called "parks tax," city officials cannot guarantee the actual figure, Walker said.

"We have no control over what businesses cease to operate in Bedford - say, a Wal-Mart. If you had planned on one of them being here and reduced the ad valorem taxes based on that projection," it would throw budgeting into disarray, Walker said. Such uncertainty could hurt the city's bond rating, making borrowing more difficult, he said.

Walker said many of the cities that have adopted the tax are isolated communities that attract to their stores outsiders - people who can share with residents the tax burden for the roads and other services they use.

Walker said he isn't sure why the tax hasn't caught on in Northeast Tarrant.

"It's so complex. It could be a fear - it's something new, something we've never taken advantage of here," he said.

Houston Chronicle

SEPTEMBER 17, 1993

Ousted Conroe police chief may keep job

Author: *PAUL McKAYStaff*

CONROE -- Police here hosted a going-away party Thursday for Chief Harold Goodwin -- and found out he may not be going away at all.

Mayor Carter Moore announced at the party that City Council, which last week requested and accepted the chief's resignation, will meet Monday to consider reinstating him.

"During the last several days, members of the City Council have requested the opportunity to reconsider the acceptance of the resignation," Moore said.

Goodwin has agreed to take the job back if that's what the council wants, he said.

Moore, whose announcement drew applause from police and others who have rallied around Goodwin since his ouster last week, said a special meeting is set for 9:30 a.m. Monday.

Most council members have been barraged with criticism since a Sept. 9 meeting in which they refused to discuss in detail why they had lost confidence in Goodwin's management of the department.

But it was clear that a majority of the five-member council had pushed for the resignation in a move that led to a citizens' petition drive seeking Goodwin's reinstatement.

"I think council has listened to the cries of the general public, and we're willing to listen and reconsider," Moore said before Thursday's party.

Councilwoman Cathy Smith, one of Goodwin's supporters, was on hand for the announcement.

Goodwin, who noted that he would not have resigned if council members had not asked him to step down, said before the party that he still doesn't know why some wanted him out.

"Maybe I'll find out what the problem is," he said. "I'd like to know what their expectations of me are. If the expectations are realistic and can be met, I've got no problem with reinstatement."

The issue has been clouded because discussions leading up to Goodwin's ouster were held in closed meetings.

Council did not have to vote to accept the resignation, and members have noted they're prohibited by law from discussing what went on in the closed meetings.

Thus, it remains unclear who was for and against the chief.

A prepared statement read by City Administrator **Craig Lonon** in last week's meeting said council members "have started losing their enthusiasm" for Goodwin.

"Recently, it was brought to Chief Goodwin's attention that he had limited support of the City Council," the statement said. "As a result, Chief Goodwin has resigned."

Two of the three councilmen who came under heavy attack for the chief's ouster said Thursday they are ready to reconsider.

"Nothing's in granite," Councilman Melvin Douglas said.

"I've got nothing against Chief Goodwin personally," he said. "I had some concerns, and a lot of my concerns, after talking to people and talking a little bit with Chief Goodwin, have been answered."

Douglas would not elaborate, but said in the Sept. 9 meeting that he disagreed with Goodwin's management style and thought the police department needed new direction.

Councilman Bill Cochran Jr. said he is keeping an open mind and will reconsider. He declined to say if he was one of those who earlier wanted Goodwin out, reiterating that it was a personnel matter that had been discussed in a closed session.

Speculation has been widespread that Douglas, Cochran and Councilman Billy Henry -- none of whom was invited to the party -- instigated the ouster. However, Douglas said Thursday, "Nobody really instigated it."

Goodwin, 63, was all smiles after the mayor's announcement at the party, where a large, decorated cake carried the message, "We'll miss you."

"Thank you all for saying goodbye and hello," Goodwin told the party crowd. "And I hope it works out that way."

Houston Chronicle
SEPTEMBER 10, 1993

Chief quits amid crowd's jeers, cheers
Councilman cites threats in Conroe

Author: *PAUL McKAYStaff*

CONROE -- City Council accepted the resignation Thursday of Police Chief Harold Goodwin in an emotionally charged meeting that provoked tears, jeers and the revelation of alleged threats against a council member.

Goodwin sat passively as former Mayor Starlett Curry repeatedly taunted Councilmen Melvin Douglas and Bill Cochran Jr., challenging them to reveal reasons behind the forced resignation.

"You owe it to the man to give him a reason," said Curry, who was mayor when Goodwin was hired from the Houston Police Department 3 1/2 years ago. "Aren't you men enough to tell him?"

Curry described the councilmen as "sorry individuals" after their initial refusals to discuss the chief's ouster in public.

Saying it "wouldn't be fair to the chief to go into details," Douglas coolly stated that he disagreed with Goodwin's management procedures.

"The Police Department is not running ineffectively, but it's not being run pro-active," Douglas said. "I just believe there needs to be a different direction in the department."

Cochran, who contended he didn't want "anything bad" to be said about Goodwin, rankled about 20 officers who attended in a show of support for the chief when the councilman announced that he and his family had received anonymous threats.

"I've been told I'd better watch out because a department I think a lot of is going to be out to get me," he said.

That set off a round of jeers from the officers, who grew more agitated when the councilman declined to talk about why he hadn't reported the threats for an investigation.

Council member Cathy Smith choked back tears throughout the meeting, as did many of Goodwin's supporters in the packed chambers.

"I am sorry to see the chief leave," Smith said. "I feel he's been a good chief."

City Administrator **Craig Lonon** set the stage for the dramatic session when he said Goodwin's resignation, effective Sept. 16, had been accepted earlier in the day by Mayor Carter Moore.

"Over the past few months, members of the City Council have started losing their enthusiasm for Chief Goodwin," said **Lonon**, reading from a written statement. "Recently, it was brought to

Chief Goodwin's attention that he had limited support of the City Council. As a result, Chief Goodwin has resigned."

Lonon said an interim chief will be appointed soon.

Goodwin on Wednesday had received an unsolicited endorsement from the Conroe Police Officers Association amid a swirl of rumors that he was resigning under mounting pressure from Douglas, Cochran and Councilman Billy Henry, who did not attend the meeting.

Goodwin, 63, appeared upbeat and declined comment after the meeting, saying only that his future called for fishing.

When Goodwin came to Conroe, he had already put in 24 years with the Houston Police Department, retiring there with a captain's rank.

Officers say he has grown weary of political interference in the day-to-day running of the police department from the city council and with strained relations with the district attorney's office.

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