

March 19, 2018

A City Council workshop and special meeting was held on the above date in the City Council Chamber, 100 South Houston Avenue with all officers and members present except the vacant position of Ward 3 and City Secretary Amy Harris.

Mayor Anderle called the workshop to order at 5:30 p.m.

City Manager JRhett Parker reviewed the agenda items.

City Manager JRhett Parker reviewed his typed report and called the Department Heads to review their monthly reports:

- City Manager JRhett Parker reported the City Secretary's report. Mock election was loaded and all new equipment is working. All election supplies have arrived. LAT testing on equipment is scheduled for March 20, 2018 at 2:00 p.m. at the Milam County Clerk's office. Mayor Anderle signed the mutual aid agreement with Milam County so that FEMA money would be available in the case of an emergency.
- Utilities Director Jerald Brunson reported that the West 6th Street repairs have been completed. All pipes are installed and underground in the Country Club area. Currently two employees short. Water plant is running well.
- Street Supervisor Craig Arnold reported that new bike racks were installed at the City Park, O. J. Thomas Park and Airport Park. Continuing street repairs from Atmos gas repairs and pot hole repairs. Hauled 184 tons of base material for the Water Department. Looking for some part-time employees to help. The Atmos cost and repairs will offset the salary for the part-time employees.
- Fire Chief Henry Horelica reported preparing for the Easter BBQ fundraiser. One of the fire engines needs repairs since it didn't pass inspection. Burn ban has been lifted. The annual giveaway fundraiser profited \$10,700.
- Police Chief Lonnie Gosch reviewed typed report. Officer Vargas has resigned; however, Reserve Officer will be hired to take his place. New uniform shirts have been ordered. 2 fatality cases have occurred in the last two months and the cases have been handed over to the District Attorney.
- Librarian Marie Christopher reported emails received from Texas State Library regarding "Knives" and active shooters. Need alarm under counter to report to Police Department. State Library is creating a procedure for libraries to move themselves from active shooter/thieves. The Garden Club planted a tree on the grounds. Children planted marigolds Wednesday morning. Summer Reading Program will begin June 4th and the library will be open until 8 p.m. Monday and Tuesday nights.
- Cameron Economic Development Director Ginger Watkins reported that the foul ball safety net at the Yards of Cameron is completed. Texas Workforce will be hosting a development training in Rockdale at the Alcoa Training Center on April 6, 2018
- Tourism Director Melanie Reed reported that the Milam County Livestock Show will begin Thursday, March 22, 2018 and notices have been sent to retail and restaurant establishments. Milam County Theater is currently performing 12 Incompetent Jurors. Cameron Golf Tournament will be held March 31, 2018. On April 7, 2018, the 10th Annual Car Show will be held downtown. Milam County Farmers Market is back up and going. Charles King is currently working on downtown retail and restaurant brochures. Several people have dropped by the Chamber inquiring about real estate and relocation

packages. Community Calendar is being kept up-to-date and has been linked to KMIL and City website.

Mayor Anderle called the regular meeting to order at 6:15 p.m.

City Manager JRhett Parker offered the invocation.

Council Member Willie led the pledge of allegiance.

There were no citizen's comments at this time.

Council Member Schiller moved to approve the minutes of the regular meeting on March 5, 2018. Council Member Mondrik seconded the motion and it carried unanimously.

Joleen Cahill requested use of Ledbetter Park on April 22, 2018 for a Veterans Appreciation Day. Washer boards and horseshoe pits, games and volleyball will be set up for veteran's families to enjoy.

Council Member Hardeman moved to approve the request for use of Ledbetter Park on April 22, 2018. Council Member Williams seconded the motion and it carried unanimously contingent on event insurance being provided to the City Manager.

Council Member Schiller moved to approve the following resolution as presented. Council Member Mondrik seconded the motion and it carried unanimously.

RESOLUTION NO. 2018-03-19-007

A RESOLUTION BY THE CITY OF CAMERON, TEXAS ("CITY"), APPROVING A REDUCTION IN RATES CHARGED BY ATMOS ENERGY CORPORATION, MID-TEX DIVISION ("ATMOS") AND AUTHORIZING CONSENT TO A REDUCTION IN RATES CHARGED BY ATMOS PIPELINE TEXAS ("APT"), ALL RELATED TO THE REDUCTION IN THE FEDERAL CORPORATE TAX RATE; FINDING THE REDUCTION IN ATMOS' RATES TO BE JUST AND REASONABLE; FINDING THAT THE MEETING COMPLIED WITH THE OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THE RESOLUTION TO THE COMPANY AND SPECIAL COUNSEL.

WHEREAS, the City of Cameron, Texas ("City") is a regulatory authority under the Gas Utility Regulatory Act "GURA") and under § 103.001 of GURA has exclusive original jurisdiction over Atmos Energy Corporation – Mid-Tex Division ("Atmos") rates, operations, and service of a gas utility within the municipality; and

WHEREAS, the City has participated in prior cases regarding Atmos as part of a coalition of cities known as the Atmos Texas Municipalities ("ATM"); and

WHEREAS, pursuant to the Rate Review Mechanism ("RRM") for 2017 filed with the City on or around March 1, 2017, the City approved an increase in annual revenue of about \$48 million; and

WHEREAS, the City, as part of ATM participated in APT's general rate case at the Railroad Commission of Texas in Gas Utility Docket No. 10580 ("GUD No. 10580"); and

WHEREAS, the corporate tax rate on federal income included in Atmos' current rates and made part of the \$48 million increase in revenue approved via the RRM, was based on a federal-income-tax rate of 35%; and

WHEREAS, the corporate tax rate on federal income included in APT's current rates and approved by the Railroad Commission of Texas in GUD No. 10580, was based on a federal-income-tax rate of 35%; and

WHEREAS, effective January 1, 2018, the corporate tax rate on income is 21%; and

WHEREAS, Atmos seeks administrative approval under Utilities Code § 104.111 to reduce its annual revenue by approximately \$29 million; and

WHEREAS, APT seeks the City's consent to a decrease in rates for APT's rates to be approved by the Railroad Commission of Texas, which decrease would reduce APT's annual revenue by about \$29 million; and

WHEREAS, ATM's Special Counsel and consultants engaged to review Atmos' and APT's calculation of the effect of the reduction in the corporate federal-income-tax rate from 35% to 21% has on Atmos' and APT's rates, have confirmed Atmos' and APT's calculation of the reduction in Atmos' and APT's revenue is mathematically accurate; and

WHEREAS, the reduction in Atmos' annual revenue is limited to the tax expense related to the change in the corporate tax rate from 35% to 21% relative to the revenue requirement established in Atmos' RRM in 2017, and to the revenue requirement established in in GUD No. 10580 for APT, and thus will need to be adjusted further in a future proceeding to account for excess deferred income taxes resulting from the Tax Cut and Jobs Act of 2017; and

WHEREAS, by approving the reduction in Atmos' rates, and consenting to the reduction in APT's rates, the City, in future proceedings or in other jurisdictions, is under no obligation to take the same positions with regard to the methodology resulting in a reduction in rates, as the methodology underlying the reduction proposed by Atmos or APT, nor shall the City's approval of the reduction in Atmos' rates or its consent to the reduction in APT's rates, be used against City in any future proceeding with respect to different positions the City may take with regard to setting Atmos' or APT's rates.

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

Section 1. The findings set forth in this Resolution are hereby in all things approved and incorporated herein.

Section 2. Atmos shall submit to the City within fourteen days from the effective date of this Resolution, amended tariffs reflecting the reduction in revenue noted above.

Section 3. The City's Special Counsel, Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, is hereby authorized to consent on behalf of the City as part of ATM in proceedings before the Railroad Commission of Texas, to the reduction in APT's revenue noted above.

Section 4. To the extent any Resolution previously adopted by the City Council is inconsistent with this Resolution, it is hereby superseded.

Section 5. The meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 6. If any one or more sections or clauses of this Resolution is judged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.

Section 7. This Resolution shall become effective from and after its passage.

Section 8. A copy of this Resolution shall be sent to Atmos Mid-Tex, care of Christopher Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1600, Dallas, Texas 75240 and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Avenue, Suite 950, Austin, Texas 78701.

Council Member Hardeman moved to approve the following resolution. Council Member Williams seconded the motion and it carried unanimously.

RESOLUTION NO. 2018-03-19-008

WHEREAS, on January 22, 2018, the City Council of the City of Cameron, Texas, ordered a general election to be held on Saturday, May 5, 2018, for the purpose of electing a Council Member, Ward 2, Council Member, Ward 4, and Mayor.

WHEREAS, on January 22, 2018, the City Council of the City of Cameron, Texas, ordered a special election to be held on Saturday, May 5, 2018, for the purpose of electing a Council Member, Ward 3 to fill an unexpired term.

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

Section 1. Citizens will vote at Cameron ISD, 304 East 12th Street, Cameron, Texas, said place being the legally designated polling place for all City Precincts and Wards. The Election Judge and Alternate Judge of such election shall be and are hereby appointed as follows:

Election Judge: Kay Moraw
 Alternate Judge: Paula Woods

Section 2. In accordance with Section 32.091 of the Texas Election Code, the City Council hereby sets the compensation for the Election Judge at the hourly rate of Twelve Dollars (\$12.00), Alternate Judge at the hourly rate of Eleven Dollars (\$11.00), Election Clerks at the hourly rate of Ten Dollars (\$10.00).

Section 3. In accordance with Section 87.004 of the Texas Election Code, the Election Officers will serve as the Early Voting Ballot Board.

Section 4. In accordance with Section 32.005(b) of the Texas Election Code, this appointment is effective for the single election to be held on May 5, 2018.

Council Member Mondrik moved to approve the expenditures of March 3, 2018 to March 16, 2018. Council Member Schiller seconded the motion and it carried unanimously.

The following expenditures exceeded \$25,000.00:

- Core & Main LP \$32,312.84

Council Member Schiller moved to approve the February 2018 Financial Report as presented. Council Member Williams seconded the motion and it carried unanimously.

FEBRUARY 2018 REVIEW

41.70%

General Revenues	2,058,891.94	59.49	HOT Revenues	\$127,103.21
EXPENSES			HOT Expenses	\$13,264.75
Street Dept.	308,466.80	50.76	HOT Profit	\$113,838.46
Fire Dept.	\$49,389.54	37.26	Lib Revenues	\$38,533.41
Police Dept.	\$515,028.56	45.57	LIB Expenses	\$2,389.96
Court	\$19,698.24	31.24	Lib Profit	\$36,143.45
Library	\$25,618.85	37.93	Fire Revenues	\$43,987.82
Ambulance	\$53,519.09	50.53	Fire Expenses	\$15,650.96
Other Operating Exp	\$205,379.74	41.48	Fire Profit	\$28,336.86
Cemetery & Parks	\$28,340.82	19.54		
Administration	\$154,692.10	49.08		
Debt Service	\$342,591.63	85.99		
Total Expenses	\$1,702,725.37	49.2	CDBG	

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GF Fund Profit	\$356,166.57	
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Water & Sewer Revenues	\$1,222,962.85	40.61
EXPENSES		
Water Maintenance	\$256,763.94	53.44
Water Treatment	\$111,236.21	29.01
Sewer Treatment	\$133,803.88	39.55
W & S Administration	\$288,115.28	36
Bond Retirement	\$886,191.12	87.8
Total Expenses	\$1,676,110.43	55.65
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Water & Sewer Loss	-\$453,147.58	
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Airport Revenues	\$21,058.49	41.7
Airport Expenses	\$26,008.64	51.5
Airport Loss	-\$4,950.15	
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CDBG	
Revenues	\$153,598.06
CDBG Expenses	\$144,523.06
Project Balance	\$9,075.00
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TWDB-DWSRF-LF1000534	
DWSRF	
Revenues	\$1,007,719.27
DWSRF Expenses	\$1,007,219.27
Project Balance	\$500.00
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TWDB-DWSRF-L1000517	
DWSRF	
Revenues	\$4,152.40
DWSRF Expenses	\$1,826.20
Project Balance	\$2,326.20
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TWDB-CWSRF-L1000516	
CWSRF	
Revenues	\$3,821.02
CWSRF Expenses	\$1,660.51
Project Balance	\$2,160.51
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TWDB-CWSRF-LF1000523	
CWSRF	
Revenues	\$0.00
CWSRF Expenses	\$0.00
Project Balance	\$0.00
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There being no further business for the Council to consider, Council Member Schiller moved to adjourn the meeting at 6:27 p.m. Council Member Mondrik seconded the motion and it carried unanimously.