

June 18, 2018

A City Council workshop and regular meeting was held on the above date in the City Council Chamber, 100 South Houston Avenue with all officers and members present.

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

City Manager JRhett Parker reviewed the following items of interest:

- June 26th Workshop
- July 2nd regular council meeting
- July 4th celebration at Ledbetter
- July 16th regular council meeting.
- City Manager will be attending TCMA annual conference June 20th through the 24th.

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:

- Street Supervisor Craig Arnold reported hauling base material, removal of dead tree from Civic Center and Cemetery, spraying for mosquitoes, pool work, working on police department clean-out and blind corner work.
- Fire Chief Henry Horelica reported being busy with grass fires. Repairs were needed for the booster truck. Several will be attending the state fire convention from June 22nd through the 27th. Fire Department will be on stand-by for the July 4th fireworks celebration.
- Police Chief Lonnie Gosch reviewed typed report. Normal day-to-day operation.
- No one from Court was present.
- Librarian Marie Christopher could not be present due to the children's summer reading program.
- Code Enforcement Officer Stanley Garrison presented pictures of current property he is working to get cleaned up.
- City Secretary Amy Harris reported currently working on budget. Business as usual.
- Utilities Director Jerald Brunson reported that CDBG project and clarifier project are awaiting walk-through for finalization. Distribution phase 1 is 90-95% complete. Engineering continues at water plant and continue to receive applications for vacant positions.

Mayor Anderle called the regular meeting to order at 6:11 p.m.

City Manager JRhett Parker offered the invocation.

Council Member Sims led the pledge of allegiance.

There were no citizen's comments at this time.

Council Member Schiller moved to approve the minutes of the following meetings: regular meeting of June 4, 2018 and special meetings of June 11, 2018 and June 12, 2018. Council Member Willie seconded the motion and it carried unanimously.

Rachel Kirk, representing Camp Gladiator, requested permission to use the city park for an outdoor boot camp. Camp Gladiator carries a \$4 million liability policy.

Council Member Willie moved to approve the use of the park with review of insurance coverage. Council Member Schiller seconded the motion and it carried unanimously.

Council Member Hardeman moved to approve an expenditure not to exceed \$5,000 to repair the Ledbetter Park bridge. Council Member Deal seconded the motion and it carried unanimously.

Council Member Schiller moved to require organizations to provide a minimum of \$1 million event insurance coverage. This excludes memorial and ceremonial presentations. Council Member Willie seconded the motion and it carried unanimously.

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

**RESOLUTION FOR CITY OF CAMERON
APPROVAL OF CTCOG REGIONAL HAZARD MITIGATION PLAN**

WHEREAS, natural hazards in the City of Cameron area historically have caused significant disasters with losses of life and property and natural resources damage; and

WHEREAS, the Federal Disaster Mitigation Act of 2000 and Federal Emergency Management Agency (FEMA) require communities to adopt a hazard mitigation action plan to be eligible for the full range of pre-disaster and post-disaster federal funding for mitigation purposes; and

WHEREAS, FEMA requires that communities update hazard mitigation action plans every five years in order to be eligible for the full range of pre-disaster and post-disaster federal funding for mitigation purposes; and

WHEREAS, the City of Cameron has assessed the community's potential risks and hazards and is committed to planning for a sustainable community and reducing the long-term consequences of natural and man-caused hazards; and

WHEREAS, the Milam County Hazard Mitigation Plan outlines a mitigation vision, goals and objectives; assesses risk from a range of hazards; and identifies risk reduction strategies and actions for hazards that threaten the community.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Milam County Hazard Mitigation Plan is approved in its entirety;
2. The City of Cameron will pursue available funding opportunities for implementation of the proposals designated therein, and will, upon receipt of such funding or other necessary resources, seek to implement the actions contained in the mitigation strategies;
3. The City of Cameron vests with the Mayor the responsibility, authority, and means to inform all parties of this action; assure that the Hazard Mitigation Plan will be reviewed at least annually; and that any needed adjustments will be presented to the City Council for consideration; and
4. The City of Cameron agrees to take such other action as may be reasonably necessary to carry out the objectives of the Plan and report on progress as required by FEMA and the Texas Division of Emergency Management (TDEM).

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

RESOLUTION NO. 2018-06-18-010

RESOLUTION BY THE CITY OF CAMERON, TEXAS (“CITY”) SUSPENDING THE EFFECTIVE DATE FOR NINETY DAYS IN CONNECTION WITH THE RATE INCREASE FILING MADE ON ABOUT ON JUNE 1, 2018 BY ATMOS ENERGY FOR ITS MIDTEX DIVISION; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Atmos Energy (“Atmos” or “Company”) filed a Statement of Intent with the City on or about June 1, 2018, to increase its annual revenue by approximately \$4.5 million in the cities known as Atmos Texas Municipalities (“ATM”), which equates to an increase in annual revenue of approximately 8.0 percent, and is the equivalent of an increase of about \$46.0 million on a system-wide basis; and

WHEREAS, the City is a regulatory authority under the Gas Utility Regulatory Act (“GURA”) and under Chapter 104, §103.001 et seq. of GURA has exclusive original jurisdiction over Atmos’s rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating Atmos’s rate request and its changes in tariffs it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

WHEREAS, the City, in matters regarding applications by Atmos to change rates, has in the past joined with other local regulatory authorities to form an alliance of cities known as Atmos Texas Municipalities (“ATM”), and hereby continues its participation in ATM; and

WHEREAS, Atmos’s rate request consists of a voluminous amount of information including Atmos’s rate-filing package, exhibits, schedules, and workpapers; and

WHEREAS, Atmos’s rate application is the Company’s first general rate case since about 2012, and follows annual increases approved under the now-expired tariff known as the “Rate Review Mechanism” (“RRM”); and

WHEREAS, Atmos proposed July 6, 2018, as the effective date for its requested increase in rates; and

WHEREAS, it is not reasonably possible for the City to complete its review of Atmos’s filing by July 6, 2018; and

WHEREAS, the City will need an adequate amount of time to review and evaluate Atmos’s rate application to enable the City to adopt a final decision as a local regulatory authority with regard to Atmos’s requested rate increase.

WHEREAS, the City will require the assistance of specialized legal counsel and rate experts to review the merits of Atmos’s application to increase rates; and

WHEREAS, if Atmos submits a corresponding application with the Railroad Commission of Texas or appeals the City’s action to the Railroad Commission of Texas, the decision of the Railroad Commission of Texas will have a direct impact on the City and its citizens who are customers of Atmos, and in order for the City’s participation to be meaningful it is important that the City intervene in any such proceedings at the Railroad Commission of Texas related to Atmos’s application to increase rates.

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

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. Atmos’s proposed effective date for its proposed increase in rates is hereby **SUSPENDED** for ninety days beyond July 6, 2018.

Section 3. The statutory suspension period may be further extended if Atmos does not provide timely and meaningful, and proper public notice of its request to increase rates, if its rate-filing package is materially deficient, or by agreement.

Section 4. The City shall participate in a coalition of cities known as the Atmos Texas Municipalities (“ATM”), and authorizes intervention in proceedings related to Atmos’s Statement of Intent before the Railroad Commission of Texas and related proceedings in courts of law; and

Section 5. The City hereby orders Atmos to reimburse the City’s rate case expenses consistent with the Gas Utility Regulatory Act and that Atmos shall do so on a monthly basis and within 30 days after submission of the City’s invoices for the City’s reasonable costs associated with the City’s activities related to this rate review or related to proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law.

Section 6. Subject to the right to terminate employment at any time, the City retains and authorizes the law firm of Herrera Law & Associates, PLLC to act as Special Counsel with regard to rate proceedings involving Atmos before the City, the Railroad Commission of Texas, or any court of law, and to retain such experts as may be reasonably necessary for review of Atmos’s rate application subject to approval by the steering committee of the ATM.

Section 7. The City, in coordination with the Steering Committee, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to Atmos for reimbursement.

Section 8. A copy of this resolution shall be sent to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Ave., Suite 950, Austin, Texas 78701, and a courtesy copy to Atmos’s local representative.

Section 9. 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 10. This resolution shall become effective from and after its passage.

Council Member Schiller moved to approve the expenditures of June 3, 2018 to June 15, 2018. Council Member Willie seconded the motion and it carried unanimously.

The following expenditures exceeded \$25,000.00:

- WC of Texas \$33,460.26

Council Member Willie moved to approve the May 2018 Financial Report as presented. Council Member Hardeman seconded the motion and it carried unanimously.

MAY 2018 REVIEW

66.70%

<hr/>			HOT Revenues	\$137,024.31
General Revenues	2,769,544.28	80.02	HOT Expenses	\$34,764.75
EXPENSES			<hr/> HOT Profit	<hr/> \$102,259.56
Street Dept.	471,728.99	77.62		
Fire Dept.	\$78,134.62	58.95	Lib Revenues	\$39,262.85
Police Dept.	\$754,772.31	66.78	LIB Expenses	\$3,460.29
Court	\$26,500.49	42.03	<hr/> Lib Profit	<hr/> \$35,802.56
Library	\$42,216.64	62.51		
Ambulance	\$80,507.48	76.02	Fire Revenues	\$49,806.71
Other Operating Exp	\$320,955.95	64.82	Fire Expenses	\$21,896.78
Cemetery & Parks	\$74,674.03	51.48	<hr/> Fire Profit	<hr/> \$27,909.93
Administration	\$227,452.22	72.16		

Debt Service	\$372,602.31	93.52
<u>Total Expenses</u>	<u>\$2,449,545.04</u>	<u>70.78</u>
<u>GF Fund Profit</u>	<u>\$319,999.24</u>	
Water & Sewer Revenues	\$1,938,114.80	64.35
EXPENSES		
Water Maintenance	\$382,808.32	79.68
Water Treatment	\$209,067.37	54.53
Sewer Treatment	\$191,328.06	56.55
W & S Administration	\$451,996.26	56.48
Bond Retirement	\$948,320.42	93.95
<u>Total Expenses</u>	<u>\$2,183,520.43</u>	<u>72.5</u>
<u>Water & Sewer Loss</u>	<u>-\$245,405.63</u>	
Airport Revenues	\$41,621.43	82.42
<u>Airport Expenses</u>	<u>\$75,130.03</u>	<u>148.77</u>
<u>Airport Loss</u>	<u>-\$33,508.60</u>	

CDBG	
#7216081	
CDBG	
Revenues	\$240,355.28
<u>CDBG Expenses</u>	<u>\$231,280.28</u>
<u>Project Balance</u>	<u>\$9,075.00</u>

TWDB-DWSRF-LF1000534	
DWSRF	
Revenues	\$1,755,026.75
<u>DWSRF Expenses</u>	<u>\$1,754,526.75</u>
<u>Project Balance</u>	<u>\$500.00</u>

TWDB-DWSRF-L1000517	
DWSRF	
Revenues	\$4,152.40
<u>DWSRF Expenses</u>	<u>\$1,826.20</u>
<u>Project Balance</u>	<u>\$2,326.20</u>

TWDB-CWSRF-L1000516	
CWSRF	
Revenues	\$3,821.02
<u>CWSRF Expenses</u>	<u>\$1,660.51</u>
<u>Project Balance</u>	<u>\$2,160.51</u>

TWDB-CWSRF-LF1000523	
CWSRF	
Revenues	\$0.00
<u>CWSRF Expenses</u>	<u>\$0.00</u>
<u>Project Balance</u>	<u>\$0.00</u>

There being no further business for the Council to consider, Council Member Schiller moved to adjourn the meeting at 6:42 p.m. Council Member Hardeman seconded the motion and it carried unanimously.