

REGULAR MEETING

May 10, 2011

7:00 p.m.

There being a quorum present, Mayor Saunders called the meeting to order at 7:00 p.m.

Council members present: Rick Neumayer, Brett Latta, Greg Allen, and Tyrone Martin

Absent: None

Martin made a motion to approve the Consent Agenda to include the Minutes to the last meeting and budget review and payment of bills. Latta seconded the motion. Votes:

For – Neumayer, Latta, Allen, and Martin

Against – None

Passed – 4-0

Public Comment:

- Marie Graham said she wanted to introduce some levity into the meeting with comments concerning a car with a flat tire parked in public view that she thought belonged to the Kerens Police Department. Mayor Saunders told her that the car in question did not belong to Kerens, but to an individual.
- Ruth Wilson stated that she used to live in a nice neighborhood, but not anymore. She has a neighbor that will not mind her own business, and wants the council to tell the neighbor to stay on her own side of the street.

The following Resolution was read for consideration:

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERENS, TEXAS, (“CITY”) FINDING THAT THE SETTLEMENT AGREEMENT BETWEEN THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR AND ONCOR ELECTRIC DELIVERY COMPANY LLC REGARDING THE COMPANY’S APPLICATION TO INCREASE ELECTRIC RATES BE AFFIRMED; AFFIRMING THE COMPANY’S REIMBURSEMENT OF CITIES’ REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE STEERING COMMITTEE’S LEGAL COUNSEL.

WHEREAS, the City of Kerens, Texas (“City”) is an electric utility customer of Oncor Electric Delivery Company LLC (“Oncor” or “Company”) with an interest in the rates and charges of Oncor; and

WHEREAS, the City is a member of the Steering Committee of Cities Served by Oncor (“Steering Committee”), a coalition of approximately 160 similarly situated cities served by Oncor that have joined together to facilitate the review of and response to electric issues affecting rates charged in the Oncor service area; and

WHEREAS, on or about January 7, 2011, Oncor filed an application at the Public Utility Commission of Texas to increase electric base rates by approximately \$353 million, such increase to be effective in every municipality within Oncor's service territory; and

WHEREAS, the Steering Committee coordinated their review of Oncor's filing by designating an Executive Committee made up of Steering Committee representatives, assisted by Steering Committee attorneys and consultants, to resolve issues identified by the Steering Committee in the Company's filing; and

WHEREAS, the Company has filed evidence that existing rates are unreasonable and should be changed; and

WHEREAS, independent analysis by the Steering Committee's rate experts concluded that Oncor is able to justify an increase over current rates of \$136.7 million; and

WHEREAS, the Steering Committee has entered a Settlement Agreement with Oncor to increase base rate revenues by \$136.7 million; and

WHEREAS, the Executive Committee of the Steering Committee, and the Steering Committee's lawyers and consultants recommend that Steering Committee members affirm approval of the attached Settlement Agreement ("Attachment A" to this Resolution), which will increase the Company's revenue requirement by \$136.7 million; and

WHEREAS, the attached Settlement Agreement is just, reasonable, and in the public interest; and

WHEREAS, the negotiated resolution of the Company's filing and the resulting rates are, as a whole, in the public interest.

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

Section 1. That the findings set forth in this Resolution are hereby in all things approved.

Section 2. That the City Council affirms the Steering Committee's adoption of the Settlement Agreement ("Attachment A") and associated rate tariffs, as just and reasonable.

Section 3. That the Steering Committee's reasonable ratemaking expenses in processing the Company's rate application should be reimbursed by Oncor.

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Section 4. That 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 5. That a copy of this Resolution shall be sent to Thomas Brocato, at Lloyd Gosselink Rochelle & Townsend, P.C., P.O. Box 1725, Austin, Texas 78767-1725.

Neumayer made a motion to pass and approve the Resolution as read. Allen seconded the motion. Votes:

For – Neumayer, Latta, Allen and Martin

Against – None

Passed – 4-0

Ruth Wilson presented her views on limiting the number of dogs allowed per household. She thinks the City should set a limit of 4 dogs per household.

After some discussion, Mayor Saunders stated that this discussion would be taken up again at a later date.

No action was taken.

Operations

- **Property Inspections** – Don Covey's report shows 16 properties cleaned or abated this month including 3 substandard buildings demolished by property owners.
- **Water Dept.** – water loss high this month.
- **Sewer Dept.** – a pump was sent for repair at the Wastewater Treatment Plant this month and all four pumps at lift stations have been replaced or repaired.
- **Street Dept.** – The streets around the manholes at S Bonner and Third and S Humphreys at Third have sunk. Mayor Saunders stated that he has a request to pave the 200 block of N Colket.
- **Police Dept.** – Chief Miers stated that his state mandated training is finally completed. Officer Harvey may have suffered a mini stroke last week. He is still seeing doctors for testing. Chief Miers also reported that 89 students attended the training class in Kerens last Friday.
- **Animal Control** – An animal cruelty arrest was made last week with a conviction handed down yesterday. The 14 dogs involved were awarded to the city and turned over to the Humane Society.
- **Court** – Scott reported that a contract was signed with Linebarger, Goggan, Blair & Sampson for Fines and Fees Collection Services.
- **Tax Dept.** – Russell Hudson's report not yet received.
- **Office** – No problems to report. Scott stated that a meeting to canvass the votes of the General Election was needed on Tuesday, May 15th. Council agreed that 7:45 a.m. was the best time for this Special Meeting.
- **Grants** – The Sewer Grant has been completed, the Drainage Grant is progressing on schedule, and work has started on an application for a new water/sewer grant.

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- **Economic Development** – Lance Andrews has requested a zoning change to accommodate a meat processing/slaughter house operation. The request was not received in time for this meeting, but will be put on a future agenda.
- **Long Range Planning** – No progress to report

Neumayer made a motion to adjourn the meeting. Martin seconded the motion.
Votes:

For – Neumayer, Latta, Allen, and Martin

Against – None

Passed – 4-0

With no further business to transact, Mayor Saunders adjourned the meeting at 8:25 p.m.

Jeffrey Saunders, Mayor

Attest:

Cindy Scott, City Secretary