

City Council

200 North Brazil

Los Fresnos, TX 78566

Special Meeting

<http://citylf.cloudaccess.net/en/>

~ Agenda ~

Thursday, August 25, 2016

6:00 PM

City Hall

NOTICE IS HEREBY GIVEN THAT THE {MeetGroup} OF THE CITY OF LOS FRESNOS PURSUANT TO CHAPTER 551, TITLE 5 OF THE TEXAS GOVERNMENT CODE, THE TEXAS OPEN MEETINGS ACT, WILL MEET ON THURSDAY, AUGUST 25, 2016 AT 6:00 PM AT CITY HALL, 200 NORTH BRAZIL ST, LOS FRESNOS, TX 78566.

I. CALL TO ORDER

2. Invocation and Pledge of Allegiance

II. PUBLIC HEARING

1. First public hearing to receive comments from the public on the proposed tax rate for 2016.

III. VISITOR REMARKS - TO SPEAK YOU MUST SIGN IN WITH CITY SECRETARY PRIOR TO MEETING AND YOU WILL HAVE 3 MINUTES TO SPEAK.

IV. CONSENT AGENDA

1. Consideration and ACTION on the second and final reading of Ordinance 473 ratifying the Agreement between the Cities of Los Fresnos and Brownsville, Texas, adjusting their common boundary line; releasing certain tracts of land to the City of Brownsville; receiving certain tracts of land presently situated in the city limits of Brownsville into the city limits of the City of Los Fresnos; providing a savings clause; providing a severability clause; and providing for an effective date.
2. Consideration and ACTION on the second and final reading of Ordinance 474 approving a negotiated resolution between the City of Los Fresnos and Texas Gas Service ("TGS" or "The Company") regarding the company's April 28, 2016 Cost of Service Adjustment ("COSA") filing; declaring existing rates to be unreasonable; adopting new tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; providing for the recovery of the City's and TGS' reasonable and necessary rate case expenses; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; repealing and prior ordinances inconsistent with this ordinance and requiring delivery of this ordinance to the Company's and the City's legal counsel.
3. Consideration and ACTION to approve the renewal of the annual contract between the City of Los Fresnos and Tropical Texas Behavioral Health.
4. Consideration and ACTION to approve a budget amendment for fiscal year 2015-2016.

V. ACTION ITEM

1. Consideration and ACTION to give directions to the City Manager on plans for street repairs.

VI. BUDGET WORKSHOP

1. Budget Workshop for fiscal year 2016-2017.

VII. ADJOURNMENT

This is to certify that I, Pam Denny, posted this agenda on the front bulletin board of the City Hall on August 19, 2016 on or before 5:30 p.m. and it shall remain so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Pam Denny, City Secretary

Persons with any disabilities that would like to attend meetings must notify City Secretary 24 hours in advance so that the City can make arrangements for that disabled person.

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Public Hearing
Prepared By: Pam Denny

SCHEDULED

Initiator: Pam Denny

Sponsors:

ACTION ITEM (ID # 1873)

DOC ID: 1873 A

**First public hearing to receive comments from the public on
the proposed tax rate for 2016.**

As discussed at the last meeting the budget is based on a tax rate of \$0.715 per \$100 valuation. This is the same rate that it has been for the last 9 years. This is an opportunity to listen to the public concerning the proposed tax rate.

NOTICE OF 2016 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF LOS FRESNOS

2.1.a

A tax rate of \$0.715000 per \$100 valuation has been proposed for adoption by the governing body of CITY OF LOS FRESNOS. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of CITY OF LOS FRESNOS proposes to use revenue attributable to the tax rate increase for the purpose of Will allow for one new employee, new vehicles and employee raises..

PROPOSED TAX RATE	\$0.715000 per \$100
PRECEDING YEAR'S TAX RATE	\$0.715000 per \$100
EFFECTIVE TAX RATE	\$0.691639 per \$100
ROLLBACK TAX RATE	\$0.773417 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for CITY OF LOS FRESNOS from the same properties in both the 2015 tax year and the 2016 tax year.

The rollback tax rate is the highest tax rate that CITY OF LOS FRESNOS may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

JESSE GARCIA JR RTA CTA CSA
CITY OF LOS FRESNOS tax assessor-collector
964 E HARRISON; BROWNSVILLE TX 78520
(956) 544-0800
assessor_collector@co.cameron.tx.us
www.citylf.us

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: August 25, 2016 at 6:00PM at CITY HALL.

Second Hearing: August 30, 2016 at 6:00PM at CITY HALL.

Attachment: 2016 Notice of Tax Rates and Public Hearings (1873 : Public Hearing on Tax Rate)

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Ordinances
Prepared By: Pam Denny
Initiator: Pam Denny
Sponsors:

SCHEDULED

ACTION ITEM (ID # 1875)

DOC ID: 1875 A

Consideration and ACTION on the second and final reading of Ordinance 473 ratifying the Agreement between the Cities of Los Fresnos and Brownsville, Texas, adjusting their common boundary line; releasing certain tracts of land to the City of Brownsville; receiving certain tracts of land presently situated in the city limits of Brownsville into the city limits of the City of Los Fresnos; providing a savings clause; providing a severability clause; and providing for an effective date.

This is the final reading of the ordinance to take over this area as of September 1. We are working with several residents on their mailing addresses. We are also looking into the issue of the extension of Whipple Road being a public or private road. The sewer services that some mentioned in the public hearing deal with a few homes about a half of a mile from existing services. Due to the distance and the few homes there, we will not have to work with the sewer provider in that area to bring service unless we want to. It would be more expense than value. We have everything in place for us to begin City of Los Fresnos services on September 1.

ORDINANCE NO. 473

AN ORDINANCE RATIFYING THE AGREEMENT BETWEEN THE CITIES OF LOS FRESNOS AND BROWNSVILLE, TEXAS, ADJUSTING THEIR COMMON BOUNDARY LINE; RELEASING CERTAIN TRACTS OF LAND TO THE CITY OF BROWNSVILLE; RECEIVING CERTAIN TRACTS OF LAND PRESENTLY SITUATED IN THE CITY LIMITS OF BROWNSVILLE INTO THE CITY LIMITS OF THE CITY OF LOS FRESNOS; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

This ordinance was introduced and submitted to the City Council for passage and adoption after the second reading of the Ordinance. After presentation and discussion of the Ordinance, a motion was made by _____ that the Ordinance be finally passed and adopted in accordance with the City's Home Rule Charter. The motion was seconded by _____ and carried by the following voted:

Mayor Polo Narvaez	___ For ___ Against ___ Abstained
Councilmember Yolanda H. Cruz	___ For ___ Against ___ Abstained
Councilmember Swain Real	___ For ___ Against ___ Abstained
Councilmember Javier Mendez	___ For ___ Against ___ Abstained
Councilmember Bibi Garza	___ For ___ Against ___ Abstained
Councilmember Gary Minton	___ For ___ Against ___ Abstained

WHEREAS, It is the desire of the cities of Los Fresnos and Brownsville to adjust their common boundary line in order to establish clear lines of demarcation for the most efficient development and delivery of services to the citizens in the area; and

WHEREAS, the cities of Los Fresnos and Brownsville, pursuant to Section 43.031 of the Local Government Code, have entered into a Boundary Adjustment Agreement (the "Agreement"), authorized by City Council on April 15, 2016.

WHEREAS, the City Council of the City of Los Fresnos finds that it is in the public interest of the City to make such an adjustment;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS:

SECTION 1. That the City of Brownsville does hereby release certain tracts of land, along with all extraterritorial jurisdiction pertaining thereto, now within its city limits, exhibit Map A.

SECTION 2. That the City of Brownsville does hereby receive and include certain tracts of land, along with all extraterritorial jurisdiction pertaining thereto, presently situated within the City of Los Fresnos limits of extraterritorial jurisdiction, exhibit Map B.

SECTION 3. That should any sentence, paragraph, subdivision, clause, phrase or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole or any part or provision thereof other than the part thereof decided to be unconstitutional, illegal, or invalid.

SECTION 4. That the City Secretary is hereby directed to publish the caption of this ordinance one time in the official newspaper of the City of Los Fresnos in accordance with the provisions of the City Charter.

SECTION 5. That upon final passage of this ordinance, the City Secretary shall send a certified copy of this ordinance to the City of Brownsville.

SECTION 6. That this ordinance shall take effect September 1, 2016 and has been accordingly so ordained.

INTRODUCED AND APPROVED on the first reading this _____ day of _____ 2016.

APPROVED AND PASSED on the second reading this _____ day of _____, 2016.

Polo Narvaez, Mayor

ATTEST:

Pam Denny, City Secretary

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Ordinances
Prepared By: Pam Denny
Initiator: Pam Denny
Sponsors:

SCHEDULED

ACTION ITEM (ID # 1874)

DOC ID: 1874 A

Consideration and ACTION on the second and final reading of Ordinance 474 approving a negotiated resolution between the City of Los Fresnos and Texas Gas Service ("TGS" or "The Company") regarding the company's April 28, 2016 Cost of Service Adjustment ("COSA") filing; declaring existing rates to be unreasonable; adopting new tariffs that reflect rate adjustments consistent with the negotiated settlement and finding the rates to be set by the attached tariffs to be just and reasonable; providing for the recovery of the City's and TGS' reasonable and necessary rate case expenses; adopting a savings clause; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; declaring an effective date; repealing and prior ordinances inconsistent with this ordinance and requiring delivery of this ordinance to the Company's and the City's legal counsel.

Legal Counsel representing cities reviewed the proposed rate increase and came to a settlement that resulted in \$300,000 less in increases. They recommend we accept this as presented in the attachment.

I recommend approval.

Model Staff Report in Support of TGS COSA Rate Increase Ordinance

Background

On April 28, 2016, Texas Gas Service Company (“TGS” or “Company”) filed for a rate increase pursuant to the Cost of Service Adjustment (“COSA”) tariff adopted by the Rio Grande Valley Service Area (“RGVSA”) Cities. TGS claimed an entitlement to rate relief under the tariff in the amount of \$1,791,783 on a system-wide basis. Attorney, Geoffrey Gay, and consultant, Karl Nalepa, relied upon by Valley Cities to review the TGS filing and negotiate a settlement, agreed to recommend a settlement of \$1,491,783 on a system-wide basis.

Purpose of the COSA

The Texas Legislature allows gas utilities to annually adjust rates based on changes to invested capital. That statutory provision is referred to as the Gas Reliability Infrastructure Program (“GRIP”). In a GRIP proceeding, cities are not allowed to intervene at the Railroad Commission, cannot challenge the reasonableness of any investment, and may not recover rate case expenses. In 2009, RGVSA Cities negotiated a COSA tariff as a three year experimental substitute for the GRIP process. Finding the COSA process to be mutually beneficial, the COSA process was renewed at the end of the experiment. In 2012, Cities and TGS agreed to a revised COSA tariff. This is the fifth filing under the revised tariff.

Resolution of the 2016 Filing

Cities’ consultant Karl Nalepa recommended adjustments to reduce the \$1,791,783 rate increase requested by TGS by \$638,634. Settlement discussions resulted in TGS agreeing to reduce their request by \$300,000.

Cities’ special counsel Geoffrey Gay recommended the rescinding of the COSA tariff that allows for an expedited comprehensive rate review process adopted by the RGVSA Cities in 2009. This rescission will result in TGS having to file a traditional rate case for future rate increase proceedings.

Bill Impact

The proof of revenues prepared by TGS, and affirmed by Karl Nalepa, reveals that the rate increase will have the following impact on average monthly customer bills:

Residential	\$0.65
Commercial	\$15.02
Industrial	\$154.87
Public Authority	\$13.39
Transportation T-1	\$223.69
Transportation T-2	\$161.90

EXPLANATION OF “BE IT ORDAINED” PARAGRAPHS IN THE ORDINANCE

- Section 1. When rates change, it is critical for the regulatory authority to find existing rates to be unreasonable and for the new rates to be just and reasonable. This section finds that the new rates reflected in tariffs for each customer class attached to the Ordinance are reasonable.
- Section 2. This paragraph authorizes TGS to collect an additional \$1,491,783 in revenue.
- Section 3. This paragraph requires the Company to reimburse the City for consulting and legal costs associated with the requested increase.
- Section 4. This paragraph repeals any prior City action that might be inconsistent with the new tariffs adopted by the Council.
- Section 5. This paragraph repeals the existing COSA tariff, thus requiring that TGS file a traditional rate case proceeding for future rate increases.
- Section 6. This paragraph recites compliance with the Open Meetings Act.
- Section 7. This paragraph is a typical savings clause, preserving the remaining provisions of the Ordinance should any one provision be determined to be invalid.
- Section 8. Pursuant to the COSA tariff, the new rates are to become effective July 29th. This paragraph allows the Company to implement the new rates on meter reads that occur on or after July 27, 2016.
- Section 9. This paragraph requires that an adopted and signed copy of the Ordinance be sent to the Company and special counsel to the City.

RECOMMENDATION

The City staff recommends adoption of the Ordinance and tariffs establishing new rates.

678/29/4840362

ORDINANCE NO. 474

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS, (“CITY”) APPROVING A NEGOTIATED RESOLUTION BETWEEN THE CITY OF LOS FRESNOS AND TEXAS GAS SERVICE (“TGS” OR “THE COMPANY”) REGARDING THE COMPANY’S APRIL 28, 2016 COST OF SERVICE ADJUSTMENT (“COSA”) FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING NEW TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT AND FINDING THE RATES TO BE SET BY THE ATTACHED TARIFFS TO BE JUST AND REASONABLE; PROVIDING FOR THE RECOVERY OF THE CITY’S AND TGS’ REASONABLE AND NECESSARY RATE CASE EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; DECLARING AN EFFECTIVE DATE; REPEALING ANY PRIOR ORDINANCES INCONSISTENT WITH THIS ORDINANCE AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY’S AND THE CITY’S LEGAL COUNSEL.

This ordinance was introduced and submitted to the City Council for passage and adoption after the second reading of the Ordinance. After presentation and discussion of the Ordinance, a motion was made by _____ that the Ordinance be finally passed and adopted in accordance with the City’s Home Rule Charter. The motion was seconded by _____ and carried by the following voted:

Mayor Polo Narvaez	___ For	___ Against	___ Abstained
Councilmember Yolanda H. Cruz	___ For	___ Against	___ Abstained
Councilmember Swain Real	___ For	___ Against	___ Abstained
Councilmember Javier Mendez	___ For	___ Against	___ Abstained
Councilmember Bibi Garza	___ For	___ Against	___ Abstained
Councilmember Gary Minton	___ For	___ Against	___ Abstained

WHEREAS, the City of Los Fresnos, Texas (“City”) is a gas utility customer of Texas Gas Service (“TGS” or “the Company”), and a regulatory authority with an interest in the rates and charges of TGS; and

WHEREAS, pursuant to the terms of the agreement settling TGS' 2009 Statement of Intent to increase rates, to which City was a signatory, the City and other municipalities within the Rio Grande Valley Service Area and TGS worked collaboratively to develop the Cost of Service Adjustment ("COSA") tariff that allows for an expedited comprehensive rate review process; and

WHEREAS, on or about April 28, 2016, TGS filed with the City a COSA tariff seeking to increase natural gas rates to all customers residing in the City; and

WHEREAS, the Company has requested a system-wide increase of \$1,791,783; and

WHEREAS, the City coordinated a review of TGS' COSA filing and designated attorneys and consultants to resolve issues in the Company's COSA filing; and

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

WHEREAS, independent analysis by the City's rate expert concluded that TGS is able to justify an increase over current rates; and

WHEREAS, the City's attorney and consultant recommend that the City approve the Settlement Agreement reflecting increased revenues of \$1,491,783 on a system-wide basis; and

WHEREAS, the attached tariffs implementing new rates are consistent with the negotiated resolution reached by the City and are just, reasonable, and in the public interest; and

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

WHEREAS, the City desires to rescind the COSA tariff that allows for an expedited comprehensive rate review process, thus requiring TGS to file a traditional rate case in the future.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOS FRESNOS, TEXAS:

Section 1. That the City Council finds that the existing rates for natural gas service provided by TGS are unreasonable and the new tariffs implementing this Ordinance, which are attached hereto and incorporated herein as Attachment A, are just and reasonable and are hereby adopted.

Section 2. That a rate increase of \$1,491,783 on a system-wide basis.

Section 3. That TGS shall reimburse the reasonable ratemaking expenses of the City in processing the Company's rate application.

Section 4. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 5. That the City Council finds that the existing COSA process needs to be updated, that the existing COSA tariff is rescinded and that the Company shall file a traditional rate case in 2017 with a test year ending December 31, 2016.

Section 6. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 7. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 8. That the tariffs attached as Attachment A to this Ordinance shall become effective for meters read on and after July 27, 2016, consistent with the COSA tariff.

Section 9. That a copy of this Ordinance shall be sent to TGS, care of Stephanie Houle, 1301 South Mopac, Suite 400, Austin, Texas 78746, and to Geoffrey Gay, Special Counsel to the City, at Lloyd Gosselink Rochelle & Townsend, P.C., P. O. Box 1725, Austin, Texas 78767-1725.

INTRODUCED AND APPROVED on the first reading this _____ day of _____ 2016.

APPROVED AND PASSED on the second reading this _____ day of _____, 2016.

Polo Narvaez, Mayor

ATTEST:

Pam Denny, City Secretary

RESIDENTIAL SERVICE RATE

APPLICABILITY

Applicable to a residential customer in a single dwelling, or in a dwelling unit of a multiple dwelling or residential apartment, or nursing homes, for domestic purposes.

TERRITORY

All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$11.25 plus -
All Ccf @ \$ 0.57904 per Ccf

OTHER ADJUSTMENTS

In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Conservation Adjustment Clause: Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule 1C, if applicable.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B.

CONDITIONS

Subject in all respects to applicable laws, rules, and regulations from time to time in effect.

COMMERCIAL SERVICE RATE

APPLICABILITY

Applicable to commercial consumers and to consumers not otherwise specifically provided for under any other rate schedule.

TERRITORY

All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$31.25 plus (For Commercial Service)

A Customer Charge per meter per month of \$18.75 plus (For Church Service)

All Ccf @ \$ 0.42023 per Ccf

OTHER ADJUSTMENTS

In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Conservation Adjustment Clause: Adjustments in accordance with the provisions of the Conservation Adjustment Clause, Rate Schedule 1C, if applicable.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of Gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

INDUSTRIAL SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer whose primary business activity at the location served is included in one of the following classifications of the Standard Industrial Classification Manual of the U.S. Government.

Division B	- Mining - all Major Groups
Division D	- Manufacturing - all Major Groups
Divisions E and J	- Utility and Government - facilities generating power for resale only

TERRITORY

All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$66.85 plus -
All Ccf @ \$ 0.50289 per Ccf

OTHER ADJUSTMENTS

In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

PUBLIC AUTHORITY SERVICE RATE

APPLICABILITY

Applicable to all public and parochial schools and colleges, and to all facilities operated by Governmental agencies not specifically provided for in other rate schedules or special contracts.

TERRITORY

All customers in the incorporated areas served by the Company in its Rio Grande Valley Service Area.

COST OF SERVICE RATE

During each monthly billing period:

A Customer Charge per meter per month of \$35.71 plus -
All Ccf @ \$ 0.44999 per Ccf

OTHER ADJUSTMENTS

In addition to the Cost of Service set forth above, each customer's bill shall include the following adjustments:

Cost of Gas Component: The basic rates for cost of service set forth above shall be increased by the amount of the Cost of Gas Component for the billing month computed in accordance with the provisions of Rate Schedule 1.

Weather Normalization Adjustment: The billing shall reflect adjustments in accordance with the provisions of the Weather Normalization Adjustment Clause, Rate Schedule WNA.

Taxes: Plus applicable taxes and fees (including franchises fees) related to above, see Rate Schedule 1B.

CONDITIONS

1. Subject in all respects to applicable laws, rules, and regulations from time to time in effect.
2. Delivery of gas hereunder may be interrupted or curtailed at the discretion of the Company, in case of shortage or threatened shortage of gas supply from any cause whatsoever, to conserve gas for residences, hospitals, schools, churches, and other human needs customers as prioritized in the Company's approved Curtailment Program.

TRANSPORTATION SERVICE RATEAPPLICABILITY

Service under this rate schedule is available to any customer of Texas Gas Service Company ("Company") and to Qualified Suppliers or Producers supplying natural gas to be transported, pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions) for the transportation of customer-owned natural gas through the Company's Rio Grande Valley distribution system for use by customers within the Company's Rio Grande Valley's Service Area or delivered to connecting pipelines. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

Prior to the execution of a Gas Transportation Service Agreement, customer must represent and certify that its usage shall average five hundred (500) Mcf of gas per month or six thousand (6,000) Mcf annually. The Company shall have the right at all reasonable times, upon prior notice to Customer, to enter onto Customer's premises and inspect Customer's facilities and operations to verify such capability. Customer must agree to notify the Company within a reasonable time if there is any change in Customer's usage. Should Customer's usage capability average less than five hundred (500) Mcf per month or six thousand (6,000) Mcf annually, Customer must so notify the Company and the Company may discontinue service hereunder except as provided in the Gas Transportation Service Agreement.

TERRITORY

All areas served by the Company in its Rio Grande Valley Service Area.

RATE

This rate shall be the sum of Part A, Part B, and Part C as described below.

Part A: A customer charge of \$127.82 per meter per month.

Part B: All volumes of natural gas transported during each month in accordance with this schedule shall be billed at the following Ccf charge:

All Ccf @ \$0.23728 per Ccf

Part C: "Additional Charges to Cost of Service Rate" pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions).

CONDITIONS

See the "Special Provisions" and "Conditions" pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions)

TRANSPORTATION SERVICE RATE

APPLICABILITY

Service under this rate schedule is available to any customer of Texas Gas Service Company ("Company") and to Qualified Suppliers or Producers supplying natural gas to be transported, pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions) for the transportation of customer-owned natural gas through the Company's Rio Grande Valley distribution system for use by customers within the Company's Rio Grande Valley's Service Area or delivered to connecting pipelines. This rate schedule requires a one-year commitment for transportation service. The customer must arrange with its gas supplier to have the customer's gas delivered to one of the Company's existing receipt points for transportation by the Company to the customer's facilities at the customer's delivery point. The receipt points shall be specified by the Company at its reasonable discretion, taking into consideration available capacity, operational constraints, and integrity of the distribution system.

TERRITORY

All areas served by the Company in its Rio Grande Valley Service Area.

RATE

This rate shall be the sum of Part A, Part B, and Part C as described below.

Part A: A customer charge of \$327.82 per meter per month.

Part B: All volumes of natural gas transported during each month in accordance with this schedule shall be billed at the following Ccf charge:

All Ccf @ \$0.06717 per Ccf

Part C: "Additional Charges to Cost of Service Rate" pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions).

Minimum Monthly Bill of \$1,500 (from the sum of Part A and Part

B) CONDITIONS

See the "Special Provisions" and "Conditions" pursuant to Rate Schedule T-GEN (General Charges, Provisions and Conditions)

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Agreement
Prepared By: Pam Denny
Initiator: Pam Denny
Sponsors:

SCHEDULED

ACTION ITEM (ID # 1876)

DOC ID: 1876 A

**Consideration and ACTION to approve the renewal of the
annual contract between the City of Los Fresnos and
Tropical Texas Behavioral Health.**

This is an extension to the contract for a Police Officer that we have been doing for the last several years. The agreement pays all the costs for the officer. Quite a few cities are involved and what they do helps each department keep their officers on the street while this group handles these types of issues.

I recommend approval.

TROPICAL

TEXAS BEHAVIORAL HEALTH

ANNUAL CONTRACT PERSONNEL CHECKLIST

Contract/Contractor Name: City of Los Fresnos

Department: Police Department

Contract Date: From 04/01/14 To 09/30/16

Date of Review: _____

Purpose of Contract: Law Enforcement Services

Services Provided:

1. Execution of Magistrate's Order for Emergency Apprehension and Detention (Sec.28) as requested by Magistrates and/or the TTBH Mobile Crisis Outreach Teams (MCOT)
2. Execution of Emergency Apprehension and Detention by Peace Officer (Sec.26) for clients identified as potentially in imminent danger of harm to self/others as identified by MCOT staff and other law enforcement agencies
3. Assisting MCOT in conducting wellness checks on clients identified by TTBH Mobile Crisis Outreach Teams (MCOT) as being possibly at risk
4. Assisting MCOT with crisis response in the community when risk factors are present
5. Transportation of individuals to inpatient Mental Health facilities for admission (both voluntary and involuntary)
6. Transportation/Accompaniment of clients for medical clearance as required by inpatient facilities
7. Providing safety monitoring on site as requested by MCOT staff
8. Responding to crisis situations in TTBH Centers in response to announced emergency codes
9. Participation in trainings as required to become familiar with Mental Health Disorders, Intellectual Disability Disorders and crisis response
10. Documentation and submission of all encounters and/or interventions using established service codes within 48 hours of encounter.

Assurances

Contractor assures the following:

1. Services are performed as specified in the contract
2. Complies with all applicable local state and federal laws, rules and regulations
3. Current permits, licenses or certifications are maintained as required to provide services
4. Maintains confidentiality of information received during performance of contract
5. Has disclosed if held in abeyance from or barred from award of Federal or State contract
6. Has permitted Center access to records, data and other information pertinent to contract, if applicable
7. Certifies that he/she has not been convicted of any crime related to any State or Federally funded program
8. Provided verification to Human Resources of having received TB test within past 10 months
9. Under Sec. 231.006 (Texas Family Code relating to child support), certifies that he/she is not ineligible to receive payments specified in contract
10. Attends meetings and trainings relevant to contract as requested by Center
11. Maintains policies of general and liability insurance coverage
12. Conforms to CARF standards applicable to services provided

**AMENDMENT TO INTERLOCAL AGREEMENT
BETWEEN
TROPICAL TEXAS BEHAVIORAL HEALTH
AND
THE CITY OF LOS FRESNOS POLICE DEPARTMENT**

The following amendment is being made a part of the Interlocal Agreement between Tropical Texas Behavioral Health and The City of Los Fresnos Police Department dated April 1, 2014. The Interlocal Agreement was entered into for the purpose of creating a law enforcement task force comprised of specially trained and certified Mental Health Officers, serving across Hidalgo, Cameron and Willacy Counties, with the objectives of coordinating responses to individuals in mental health crisis with the local mental health authority and decreasing preventable admissions and readmissions into the criminal justice system under the Texas Healthcare Transformation and Quality Improvement Program (1115 Waiver).

The expiration date of the Interlocal Agreement is extended from September 30, 2016 to December 31, 2017.

All other provisions in the original agreement will remain in effect.

This amendment is effective October 1, 2016.

**THE CITY OF LOS FRESNOS
SHERIFF/POLICE DEPARTMENT**

James Harris
Police Chief
Date: _____

**TROPICAL TEXAS BEHAVIORAL
HEALTH**

W. Terry Crocker
Chief Executive Officer
Date: 7-21-16

Attachment: Tropical Texas Behavioral Contract Renewal (1876 : Tropical Texas Behavioral Contract)

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Budget Amendment
Prepared By: Pam Denny

SCHEDULED

Initiator: Pam Denny

Sponsors:

ACTION ITEM (ID # 1879)

DOC ID: 1879 A

**Consideration and ACTION to approve a budget amendment
for fiscal year 2015-2016.**

The lending institution for our CO's notified us that their system did not bill us for interest in the amount of \$41,868.75 for 8/1/15, which is a year ago. They just discovered it so we need to pay it. The amendment increases the amount in that fund. We have sufficient funds to cover as we have over \$80,000 in the debt fund for emergencies.

I recommend approval.

FUND: _____ Debt Service

DEPARTMENT: _____ Debt Service

BUDGET AMENDMENT # _____

DATE POSTED: _____

[illegible]

Justification/Explanation for change:

Increase Interest Expense to pay last years August 2015 payment in the amount of \$41,868.75. Funds were set a side in the prior year
to pay this payment.

Approved:	Dept Head Requesting Change	Date	Finance Dept	Date
	<i>ce sl</i>	<i>8/17/16</i>	<i>ce sl</i>	<i>8/17/16</i>
	<i>Mark W. Miliun</i>	<i>8/17/16</i>		
	Mark Miliun, City Manager	Date	Polo Narvaez, Mayor	Date

Celina Gonzales

From: Robin Emerson [REmerson@mybankersbank.com]
Sent: Tuesday, August 16, 2016 3:24 PM
To: Celina Gonzales
Cc: Mark Milum
Subject: FW: Los Fresnos 2014 General Obligation
Attachments: Billing Notice - Los Fresnos.pdf; Los Fresnos Series 2014 Certificate of Obligation.pdf

After our earlier phone conversation I wanted to provide you hopefully a better explanation regarding this bond payment.

The original bond was funded by TIB on 9/11/2014.

The city was billed for interest on this bond for the period covering 9/11/2014 to 2/1/2015; the amount of that bill was \$32,564.58.

Our loan system did not bill for the 8/1/2015 semi-annual interest payment; the amount which should have been billed and collected for that period was \$41,868.75.

The next bill generated covered the period of 2/1/15 – 2/1/16; the amount billed was \$83,787.50 interest and \$25,000.00 principal for a total amount of \$107,737.50

The error within our system was recently found but not before the billing cycle for the required 8/1/2016 interest payment.

A manually prepared bill has been provided for this period and because of the delay in providing to you, the payment due date is noted as 8/30/16 for this payment cycle.

I have attached for your files a copy of the Certificate with the specific information related to the payment scheduled identified on Page 2.

Again I apologize for this error and any inconvenience this has caused. If you have any questions regarding this billing statement or if I can be of any assistance please do not hesitate to let me know.

Robin E. Emerson
 SVP/Loan Operations Mgr.
 (800) 288-4842 (Phone)
 (972) 444-3522 (Direct)
 (972) 541-0554 (Fax)
www.mybankersbank.com

"The Trusted Partner For Those We Serve."

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City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Agreement
Prepared By: Pam Denny
Initiator: Pam Denny
Sponsors:

SCHEDULED

ACTION ITEM (ID # 1878)

DOC ID: 1878 A

**Consideration and ACTION to give directions to the City
Manager on plans for street repairs.**

I will have some information to share with you so you can give me direction on how you want to handle street repairs.

City Council
200 North Brazil
Los Fresnos, TX 78566

Meeting: 08/25/16 06:00 PM
Department: City Secretary
Category: Workshop
Prepared By: Pam Denny
Initiator: Pam Denny
Sponsors:

SCHEDULED

ACTION ITEM (ID # 1877)

DOC ID: 1877 A

Budget Workshop for fiscal year 2016-2017.

We will go over budget for next year.