

**MINUTES  
OF  
CITY OF WHARTON  
REGULAR CITY COUNCIL MEETING  
APRIL 23, 2018**

Mayor Tim Barker declared a Regular Meeting duly open for the transaction of business at 7:00 P.M at City Hall 120 E. Caney Street Wharton, TX. City Manager Andres Garza, Jr. led the opening devotion and Mayor Barker led the pledge of allegiance.

Councilmember's present were: Mayor Tim Barker and Councilmembers Al Bryant, Terry Freese, Russell Machann and Steven Schneider.

Councilmember absent was: Don Mueller.

Staff members present were: City Manager Andres Garza, Jr., City Attorney Paul Webb, Finance Director Joan Andel, City Secretary Paula Favors, TRMC, CPM, Community Development Coordinator Gwyneth Teves, Assistant to the City Manager Brandi Jimenez, Facilities Maintenance Director Bob Baker and Public Works Director Wade Wendt and Patrol SGT Philip Burch.

Visitors present were: Chad Odom, Executive Director of Wharton Economic Development Corporation (WEDCo), Ernest C. Black Lemons and Jay Howard with Texas Disposal Systems.

The second item on the agenda was Roll Call and Excused Absences. After some discussion, Councilmember Russell Machann moved to excuse Councilmember Don Mueller. Councilmember Al Bryant seconded the motion. All voted in favor.

The third item on the agenda was Public Comments. Mr. Jay Howard with Texas Disposal Systems requested the City Council consider allowing his company an opportunity to discuss providing solid waste services to the City. Mr. Ernest Lemons stated his desire to file for a place on the 2020 Texas Senate to represent Wharton County and he requested the support of the City Council.

The fourth item on the agenda was the Wharton Moment. Mayor Tim Barker stated a memorial service gathering was taking place for Mr. Keith Magee at the Milam Street Coffee Shop and many Councilmembers would be attending after the meeting.

The fifth item on the agenda was Proclamation: Recognizing April as Fair Housing Month. Mayor Tim Barker read the Proclamation as follows:

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**OFFICE OF THE MAYOR  
PROCLAMATION**

**WHEREAS,** Title VII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing and declares it is a national policy to provide, within constitutional limits, for fair housing in the United States; and,

**WHEREAS,** The principal of Fair Housing is not only national law and national policy, but a fundamental human concept and entitlement for all Americans; and,

**WHEREAS,** The forty-ninth anniversary of this National Fair Housing Law, during the month of April, provides an opportunity for all Americans to recognize that complete success in the goal of equal housing opportunity can only be accomplished with the help and cooperation of all Americans.

**NOW, THEREFORE,** I, Tim Barker by the authority vested in me as Mayor of the City of Wharton, Texas, do hereby proclaim April as Fair Housing Month in the City of Wharton and do hereby urge all the citizens of this locality to become aware of and support the Fair Housing Law.

**IN WITNESS THEREOF,** I have set my hand and caused the seal of the City of Wharton to be affixed this 1st day of April in the year of our Lord two thousand eighteen A. D.

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**TIM BARKER**  
Mayor  
City of Wharton, Texas

The sixth item on the agenda was to review and consider the City of Wharton Finance Report for March 2018. Finance Director Joan Anandel presented the financial report for the month of March 2018. Mrs. Anandel stated that the TexPool balance for March was \$1,406,309.25 with an average monthly yield of 1.5156%. She said the Prosperity Bank balance for March 2018 was \$4,135,247.10 with an average monthly yield of .25%. After some discussion, Councilmember Al Bryant moved to approve the City of Wharton Financial Report for the month of March 2018. Councilmember Terry Freese seconded the motion. All voted in favor.

The seventh item on the agenda was to review and consider Wharton Housing Finance Corporation:

- A. Application for establishment of housing finance corporation.
- B. Resolution by the City Council of the City of Wharton, Texas, establishing a housing finance corporation for the City of Wharton as provided in Local

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Government Code, Title 12, Subtitle C, Chapter 394; said corporation to be known as “City of Wharton Housing Finance Corporation” (“WHFC”); and approving the articles of incorporation and bylaws for WHFC; appointment of Board of Directors for WHFC; and approving the Articles of Incorporation and Bylaws for WHFC; Appointment of Board of Directors for WHFC; setting an effective date.

City Manager Andres Garza, Jr. presented an application for establishment of housing finance corporation and draft resolution, draft articles of incorporation and draft bylaws. After some discussion, Councilmember Al Bryant moved to approve the application for establishment of a housing finance corporation and the City of Wharton Resolution No. 2018-27, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2018-27**

**A RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS, ESTABLISHING A HOUSING FINANCE CORPORATION FOR CITY OF WHARTON AS PROVIDED IN LOCAL GOVERNMENT CODE, TITLE 12, SUBTITLE C, CHAPTER 394; SAID CORPORATION TO BE KNOWN AS “CITY OF WHARTON HOUSING FINANCE CORPORATION” (“WHFC”); AND APPROVING THE ARTICLES OF INCORPORATION AND BYLAWS FOR WHFC; APPOINTMENT OF BOARD OF DIRECTORS FOR WHFC; SETTING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Wharton (“City”) is a political subdivision and is governed by the laws of the State of Texas; and

**WHEREAS**, City has received an application from local residents requesting that City establish a housing finance corporation to assist in financing the cost of residential ownership and development that will provide decent, safe, and sanitary housing at affordable prices for residents of Wharton, Texas (the “Application”); and

**WHEREAS**, Section 394 of the Texas Local Government Code provides that a municipality may establish a public, non-profit corporation to assist with the financing of residential ownership and development; and

**WHEREAS**, the city council of the City has considered the Application and finds that the formation of a housing finance corporation is wise, expedient, necessary, or advisable.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS:**

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**SECTION 1.** The Wharton City Council hereby approves the Articles of Incorporation and Bylaws, attached hereto as Exhibit “A” and Exhibit “B,” respectively for the housing finance corporation to be known as City of Wharton Housing Finance Corporation (“WHFC”).

**SECTION 2.** WHFC will have all of the powers granted to it by Section 394 of the Texas Local Government Code and will be subject to all such section’s provisions.

**SECTION 3.** The Mayor is hereby authorized to execute any and all legal documents necessary to fulfill the purpose and intent of this Resolution.

**SECTION 4.** The following individuals are appointed as the original members of the Board of Directors for WHFC:

<b>Director Name</b>	<b>Address</b>	<b>Director Position Number</b>	<b>Nominated by City Council District Number</b>
Marrow Lou Simms		7	Mayor
Curtis Edwards		1	District No. 1
Worthy Carpenter		2	District No. 2
Chris Voulgaris		3	District No. 3
David Voulgaris		4	District No. 4
Gary Nunez		5	Position No. 5 At-Large
Tonya Machann		6	Position No. 6 At-Large

Nomination and appointment for subsequent members of the WHFC board of directors will be made pursuant to the Articles of Incorporation approved by the City Council.

**SECTION 5.** The City Council finds the recitals contained in the preamble to this resolution are true and correct and incorporates them as findings of fact.

**SECTION 6.** All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**SECTION 7.** If any section, subsection, sentence, clause or phrase of this resolution is for any reason held to be unconstitutional or illegal, such decision shall not affect the validity of the remaining sections of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared void.

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**SECTION 8.** This resolution shall take effect immediately from and after its passage and the publication of the caption of said resolution as the law in such cases provides.

**PASSED AND APPROVED** this 23rd day of April, 2018.

**CITY OF WHARTON**

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**TIM BARKER**  
Mayor

**ATTEST:**

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**PAULA FAVORS**  
City Secretary

Councilmember Terry Freese seconded the motion. All voted in favor.

The eighth item on the agenda was to review and consider a resolution of the Wharton City Council establishing a Consultant Selection Committee and developing evaluation criteria for the selection of an administrative consulting firm to provide assistance and oversight in Disaster Recovery and Hazard Mitigation Grant Applications and Funds Management Assistance and provide recommendations to the entire City Council. City Manager Andres Garza, Jr. stated the City staff would advertise for administrative services to provide assistance and oversight in Disaster Recovery and Hazard Mitigation Grant Applications and Funds Management Assistance and provide recommendations to the entire City Council for upcoming funding opportunities. After some discussion, Councilmember Russell Machann moved to approve City of Wharton Resolution No. 2018-28, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2018-28**

**A RESOLUTION OF THE WHARTON CITY COUNCIL ESTABLISHING A CONSULTANT SELECTION COMMITTEE AND DEVELOPING EVALUATION CRITERIA FOR THE SELECTION OF AN ADMINISTRATIVE CONSULTING FIRM FOR DISASTER RECOVERY AND HAZARD MITIGATION GRANT APPLICATIONS AND FUNDS MANAGEMENT ASSISTANCE AND ESTABLISH THE CRITERIA OF SELECTION.**

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**WHEREAS,** The Wharton City Council wishes to establish a Consultant Selection Committee for administrative services to provide assistance and oversight in Disaster Recovery and Hazard Mitigation Grant Applications and Funds Management Assistance and provide recommendations to the entire City Council; and,

**WHEREAS,** The Wharton City Council wishes the Consultant Selection Committee to consist of the City Council Finance Committee along with the City Manager and Finance Director; and,

**WHEREAS,** The Wharton City Council wishes for this Committee to exist until a recommendation is forwarded to the entire City Council; and,

**WHEREAS,** The Wharton City Council wishes to establish the criteria of selection of the consulting firm as per Attachment A.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS** as follows:

**Section I.** That the Wharton City Council hereby establishes the City Council Consultant Selection Committee.

**Section II.** That the Wharton City Council Consultant Selection Committee will consist of the City Council Finance Committee along with the City Manager and Finance Director.

**Section III.** That the criteria as set forth in Attachment A is hereby approved.

**Section IV.** That this resolution shall become effective immediately upon its passage.

**Passed, Approved, and Adopted** this 23<sup>rd</sup> day of April 2018.

**CITY OF WHARTON, TEXAS**

**By:** \_\_\_\_\_  
**TIM BARKER**  
Mayor

**ATTEST:** \_\_\_\_\_  
**PAULA FAVORS**  
City Secretary

Councilmember Terry Freese seconded the motion. All voted in favor.

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The ninth item on the agenda was to review and consider City of Wharton Facilities Maintenance Department:

A. **Resolution:** A resolution of the Wharton City Council approving the purchase of two (2) mowers for the Facilities Maintenance Department and authorizing the City Manager of the City of Wharton to execute all documents related to said purchase.

City Manager Andres Garza, Jr. presented a memorandum to him from Facilities Maintenance Director Bob Baker requesting to purchase two mowers for the Facilities Maintenance Department. City Manager Garza stated the funding for this purchase was authorized in the tax anticipation notes approved by the City Council. After some discussion, Councilmember Al Bryant moved to approve City of Wharton Resolution No. 2018-29, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2018-29**

**A RESOLUTION OF THE WHARTON CITY COUNCIL AUTHORIZING THE PURCHASE OF TWO (2) MOWERS FOR THE FACILITIES MAINTENANCE DEPARTMENT FROM LUBER BROTHERS THROUGH BUYBOARD COOPERATIVE PURCHASING PROGRAM AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS RELATED TO SAID PURCHASE.**

**WHEREAS,** The Facilities Maintenance Department wishes that the City Council approves the purchase of two (2) mowers from Luber Brothers through Buyboard Cooperative Purchasing Program; and,

**WHEREAS,** The City of Wharton is a member of and participates in the Buyboard Cooperative Purchasing Program; and,

**WHEREAS,** The Wharton City Council wishes to authorize the City Manager to purchase two (2) mowers for the Facilities Department from Luber Brothers through Buyboard Cooperative Purchasing Program; and,

**WHEREAS,** The Wharton City Council wishes to authorize the City Manager to execute the agreement related to the purchase of the mowers.

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS:**

**SECTION I.** The Wharton City Council hereby authorizes the purchase of two (2)

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mowers from Luber Brothers through the Buyboard Cooperative Purchasing Program.

**SECTION II.** The Wharton City Council hereby authorizes the City Manager to execute the agreement related to the purchase of the mowers.

**SECTION III.** That this resolution shall become effective immediately upon its passage.

**PASSED AND APPROVED** this 23rd day of April 2018.

**CITY OF WHARTON**

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**TIM BARKER**  
Mayor

**ATTEST:**

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**PAULA FAVORS**  
City Secretary

Councilmember Terry Freese seconded the motion. All voted in favor.

The tenth item on the agenda was to review and consider a resolution by the City of Wharton, Texas (“City”) denying the distribution cost recovery factor rate decrease of Centerpoint Energy Houston Electric, LLC filed on or about April 4, 2018; authorizing participation in a coalition of similarly situated cities; authorizing participation in related rate proceedings; requiring the reimbursement of municipal rate case expenses; authorizing the retention of special counsel; finding that the meeting complies with the Open Meetings Act; making other findings and provisions related to the subject; and declaring an effective date. City Manager Andres Garza, Jr. stated that on April 4, 2018, CenterPoint Energy Houston Electric, LLC (“CenterPoint”) submitted an Application for Approval to Amend Its Distribution Cost Recovery Factor (“DCRF”) to decrease its annual revenues by approximately \$7.1 million and proposes to implement this increase on September 1, 2018. City Manager Garza said that the basis for the decrease was attributable to the recent change in federal income-tax laws and in the recently enacted Tax Cut and Jobs Act of 2017 (effective January 1, 2018), the U.S. Congress reduced the corporate, federal-income-tax (“FIT”) rate from 35% to 21%. He said that a DCRF filing was a streamlined single-issue proceeding outside of a comprehensive base rate case that moves very quickly and the Commission’s rules dictate, pursuant to State law, that September 1, 2018, absent good cause, was the effective date for new rates. He said that this meant, absent good cause, the



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case would be resolved in approximately 150 days and discovery was also very limited allowing parties to serve, absent good cause, no more than 20 requests for information and requests for admissions of fact. City Manager Garza said that the City must make its final decision by June 3, 2018. City Attorney Paul Webb stated that it was his recommendation that the City Council consider approving the resolution. After some discussion, Councilmember Russell Machann moved to approve City of Wharton Resolution No. 2018-30, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2018-30**

**RESOLUTION BY THE CITY OF WHARTON, TEXAS (“CITY”) DENYING THE DISTRIBUTION COST RECOVERY FACTOR RATE DECREASE OF CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC FILED ON OR ABOUT APRIL 4, 2018; AUTHORIZING PARTICIPATION IN A COALITION OF SIMILARLY SITUATED CITIES; AUTHORIZING PARTICIPATION IN RELATED RATE PROCEEDINGS; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; AUTHORIZING THE RETENTION OF SPECIAL COUNSEL; 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**, on about April 4, 2018, CenterPoint Energy Houston Electric, LLC (“CenterPoint”) filed an application for authority to amend its Distribution Cost Recovery Factor (“DCRF”) and proposed an effective date of September 1, 2018; and

**WHEREAS**, the City as a regulatory authority under the Public Utility Regulatory Act (“PURA”) § 33.001 has exclusive original jurisdiction over CenterPoint’s rates, operations, and services within the municipality; and

**WHEREAS**, the U.S. Congress enacted the Tax Cut and Jobs Act of 2017, which among other things, changed federal income-tax laws by reducing the corporate, federal-income tax rate from 35% to 21%; and

**WHEREAS**, absent the change in federal tax law, CenterPoint’s application would seek an increase in its DCRF revenues of about \$32 million per year; and

**WHEREAS**, the change in federal tax law has the effect of reducing CenterPoint’s revenue requirement, and results in a proposed decrease of about \$7.1 million to its currently approved DCRF revenue requirement; and

**WHEREAS**, the jurisdictional deadline for the City to act in this rate matter is 60 days from the application date or June 3, 2018; and

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

**WHEREAS**, in order to maximize the efficient use of resources and expertise in reviewing CenterPoint’s rate request, it is prudent to coordinate the City’s efforts with a coalition of similarly situated municipalities; and

**WHEREAS**, the City, in matters regarding CenterPoint rates, has in the past joined with other local regulatory authorities to form the Texas Coast Utilities Coalition (“TCUC”) of cities and hereby continues its participation in TCUC; and

**WHEREAS**, CenterPoint simultaneously filed an application to amend its DCRF with the Public Utility Commission of Texas, therefore the decision of the Public Utility Commission of Texas will affect the rates paid by the City and its citizens who are customers in CenterPoint’s service territory and in order for the City’s participation to be meaningful it is important that the City promptly intervene in such proceeding at the Public Utility Commission of Texas; and

**WHEREAS**, CenterPoint failed to show that its proposed rate change in rates is reasonable and therefore the City has concluded that CenterPoint’s proposed rate change is unreasonable; and

**WHEREAS**, given state law and the procedures applicable to CenterPoint’s application, the most expeditious manner to effect CenterPoint’s proposed rate change in rates is to deny CenterPoint’s request.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, 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.** The City **DENIES** the rate change CenterPoint requested on or about April 4, 2018.
- Section 3.** The City authorizes intervention in proceedings related to CenterPoint’s application to amend its DCRF before the Public Utility Commission of Texas and related proceedings in courts of law as part of the coalition of cities known as Texas Coast Utilities Coalition (“TCUC”).
- Section 4.** The City hereby orders CenterPoint to reimburse the City’s rate case expenses as provided in the Public Utility Regulatory Act and that CenterPoint 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 to related proceedings

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involving CenterPoint before the City, the Public Utility Commission of Texas, or any court of law.

- Section 5.** 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 CenterPoint before the City, the Public Utility Commission of Texas, or any court of law and to retain such experts as may be reasonably necessary for review of CenterPoint's rate application subject to approval by the City.
- Section 6.** The City, through its participation in Texas Coast Utilities Coalition of cities, shall review the invoices of the lawyers and rate experts for reasonableness before submitting the invoices to CenterPoint for reimbursement.
- Section 7.** A copy of this resolution shall be sent to CenterPoint Energy, care of Ms. Texas 77002; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 816 Congress Ave., Suite 950, Austin, Texas 78701.
- Section 8.** 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 9.** This resolution shall become effective from and after its passage.

**PASSED AND APPROVED** this 23rd day of April, 2018.

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**Tim Barker**  
Mayor

**ATTEST:**

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**Paula Favors**  
City Secretary

Councilmember Al Bryant seconded the motion. All voted in favor.

The eleventh item on the agenda was to review and consider a resolution by the City of Wharton, Texas ("City") responding to the application of Centerpoint Energy Resources Corp., Texas Coast Division, to increase rates under the Gas Reliability Infrastructure Program; suspending Centerpoint's proposed effective date for forty-five days; authorizing the City to continue to participate in a coalition of cities known as the "Texas Coast Utilities Coalition" of cities; determining that the meeting at which the resolution was adopted complied with the Texas Open Meeting Act; making such other findings and provisions related to the subject; and declaring an effective date. City Manager Andres

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Garza, Jr. stated the City was a member of the Texas Coast Utilities Coalition (“TCUC”) of cities. TCUC was organized by a number of municipalities served by CenterPoint Energy Resources Corp., Texas Coast Division (“CenterPoint”) and had been represented by the law firm of Herrera Law & Associates, PLLC (through Mr. Alfred R. Herrera) to assist in reviewing applications to change rates submitted by CenterPoint. City Manager Garza said that although the City’s ability to review and effectuate a change in CenterPoint’s requested increase was limited, the City should exercise due diligence with regard to rate increases of monopoly utilities who operate within its boundaries, including increases requested under the GRIP statute to ensure compliance with the requirements of that law and this included whether CenterPoint’s current rates produce a rate of return in excess of its authorized rate of return. He said that to exercise its due diligence, it was necessary to suspend CenterPoint’s proposed effective date of May 28, 2018 for forty-five days, so that the City can evaluate whether the data and calculations in CenterPoint’s rate application were correctly done. City Manager Garza stated that therefore, TCUC’s Special Counsel, the law firm of Herrera Law & Associates, PLLC (through Alfred R. Herrera) recommended that the City adopt a resolution suspending CenterPoint’s proposed effective date for 45 days, assuming a proposed effective date of May 28, 2018, CenterPoint’s proposed effective date was suspended until July 12, 2018. City Attorney Paul Webb stated that it was his recommendation that the City Council consider approving the resolution. After some discussion, Councilmember Russell Machann moved to approve City of Wharton Resolution No. 2018-31, which read as follows:

**CITY OF WHARTON  
 RESOLUTION NO. 2018-31**

**A RESOLUTION BY THE CITY OF WHARTON, TEXAS, ("CITY") RESPONDING TO THE APPLICATION OF CENTERPOINT ENERGY RESOURCES CORP., TEXAS COAST DIVISION, TO INCREASE RATES UNDER THE GAS RELIABILITY INFRASTRUCTURE PROGRAM; SUSPENDING CENTERPOINT’S PROPOSED EFFECTIVE DATE FOR FORTY-FIVE DAYS; AUTHORIZING THE CITY TO CONTINUE TO PARTICIPATE IN A COALITION OF CITIES KNOWN AS THE "TEXAS COAST UTILITIES COALITION" OF CITIES; DETERMINING THAT THE MEETING AT WHICH THE RESOLUTION WAS ADOPTED COMPLIED WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE.**

**WHEREAS:** on or about March 29, 2018 CenterPoint Energy Resources Corp., Texas Coast Division (“CenterPoint”) filed for an increase in gas utility rates under the Gas Reliability Infrastructure Program (“GRIP”), resulting in a requested increase in the monthly customer charges as shown in the table below:

Rate Schedules	Current Customer Charge	Proposed 2018 Interim Adjustment	Proposed Customer Charge	Increase to Each Bill
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R-2096-I-GRIP 2018; R-2096-U-GRIP 2018 Residential	\$15.75 Per customer per month	\$0.72 per customer per month	\$16.47 per customer per month	\$0.72 per customer per month
GSS-2096-I-GRIP 2018; GSS-2096-U-GRIP 2018 General Service Small	\$18.25 Per customer per month	\$1.10 per customer per month	\$19.35 per customer per month	\$1.10 per customer per month
GSLV-627-I-GRIP 2018; GSLV-627-I-GRIP 2018 General Service Large Volume	\$180.00 per customer per month	\$23.03 per customer per month	\$203.03 per customer per month	\$23.03 per customer per month

and

**WHEREAS:** the City has a responsibility to exercise due diligence with regard to rate increases of monopoly utilities who operate within its boundaries; and

**WHEREAS:** the application to increase rates by CenterPoint is complex; and

**WHEREAS:** it is necessary to suspend the effective date for the increase in rates for forty-five days, so that the City can assure itself that the data and calculations in CenterPoint’s rate application are in accordance with the Section 104.301 of the Gas Utility Regulatory Act; and

**WHEREAS:** the effective date proposed by CenterPoint is May 28, 2018 but a suspension by the City will mean that the rate increase cannot go into effect prior to July 12, 2018.

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

- Section 1.** That the statements and findings set out in the preamble to this resolution are hereby in all things approved and adopted.
- Section 2.** The City suspends the requested effective date by CenterPoint for forty-five days pursuant to the authority granted the City under Section 104.301 of the Texas Utilities Code. The City finds that additional time is needed in order to review the data and calculations that provide the basis for the rate increase application.
- Section 3.** The City shall continue to act jointly with other cities that are part of a coalition of cities known as the Texas Coast Utilities Coalition (“TCUC”) of cities.
- Section 4.** The City authorizes the law firm of Herrera & Boyle, PLLC, to act on its behalf in connection with CenterPoint’s application to increase rates.
- Section 5.** To the extent allowed by law, CenterPoint is ordered to pay the City's reasonable rate case expenses incurred in response to CenterPoint’s rate increase application within 30 days of receipt of invoices for such expenses to the extent allowed by law.

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

**Section 7.** This resolution shall be effective immediately upon passage.

**PASSED AND APPROVED** this 23rd day of April 2018.

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**TIM BARKER**  
Mayor

**ATTEST:**

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**PAULA FAVORS**  
City Secretary

Councilmember Terry Freese seconded the motion. All voted in favor.

The twelfth item on the agenda was to review and consider Wharton Chamber of Commerce City Wide Garage Sale request:

1. Use of Guffey Park and the city parking lot across from City Hall on both days:
2. Four Light/generators to light up Guffey Park.
3. Stage and stage cover on the west end of Guffey Park.
4. Access to electricity for the area of the stage.
5. Access to fresh water supply.
6. Approval to use \$4,000 in HOT funds allocated for events.
7. Close South Houston Street from Milam to Caney streets Saturday only.
8. Close Caney Street from Houston Street to Polk Street both days.
9. Allow open containers within the restricted area as per the red line on map.

City Manager Andres Garza, Jr presented the Wharton Chamber of Commerce's request for their annual City Wide Garage Sale. City Manager Garza stated that this year they are expanding the event to include crawfish and music and since the Freedom Fest and Juneteenth cancelled their events this year there was \$4,000 allocated in the City's Hotel/Motel Fund for festivals. City Manager Garza said the City Council Finance Committee met on Monday, April 23<sup>rd</sup> and were recommending the City Council consider allocating the \$4,000 in the City's Hotel/Motel Fund for festivals to the City Wide Garage Sale event. After some discussion, Councilmember Russell Machann moved to approve the Wharton Chamber of Commerce City Wide Garage Sale requests. Councilmember Al Bryant seconded the motion. All voted in favor

The thirteenth item on the agenda was to review and consider the reschedule of the May 28, 2018 Regular Wharton City Council Meeting. City Manager Andres Garza, Jr. stated that

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due to the Regular City Council Meeting falling on Memorial Day, he was requesting the Mayor and City Council consider moving the May 28, 2018 regular City Council Meeting to Tuesday, May 29, 2018. After some discussion, Councilmember Al Bryant moved to approve rescheduling the May 28, 2018 Regular Wharton City Council Meeting to Tuesday, May 29, 2018. Councilmember Steve Schneider seconded the motion. All voted in favor.

The fourteenth item on the agenda was to review and consider Wharton Economic Development Corporation:

A. Resolution No. 2018-01 Second Reading.

City Manager Andres Garza, Jr. presented a copy of Wharton Economic Development Corporation Resolution 2018-01 and Executive Director Chad Odom's memorandum to him regarding the resolution. Mr. Odom stated the resolution must be read at two City Council meetings and this would be the second of the two readings required for Wharton Economic Development Corporation to undertake the project.

B. Wharton Economic Development Corporation Fiscal Year 2017-2018 Budget Amendment.

City Manager Andres Garza, Jr. presented the Wharton Economic Development Corporation Fiscal Year 2017-2018 Budget Amendment. After some discussion, Councilmember Al Bryant moved to approve the Wharton Economic Development Corporation's Fiscal Year 2017-2018 Budget Amendments as presented and Wharton Economic Development Corporation's Resolution No. 2018-01, which read as follows:

**WHARTON ECONOMIC DEVELOPMENT CORPORATION  
RESOLUTION NO. 2018-01**

**A RESOLUTION AUTHORIZING WEDC TO ENTER INTO AN AGREEMENT WITH ALI QATTOM TO DEMOLISH THE EXISTING STRUCTURE, CONSTRUCT A NEW BUILDING AND REMOVE UNDERGROUND STORAGE TANKS ON THE PROPERTY LOCATED AT 1321 NORTH ALABAMA ROAD, WHARTON, TEXAS**

Wharton Economic Development Corporation ("Corporation") is a non-profit corporation organized under the provisions of Article 5190.6, Section 4B, Vernon's Texas Civil Statutes as amended, and

**WHEREAS** the Corporation amended its 2017-2018 Fiscal Year Budget to authorize the payment of \$75,000 to Ali Qattom ("QATTOM") for the demolition of the existing building, construction of a new building and remove underground storage units, and

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**WHEREAS** the funds will be distributed only upon completion of the PROJECT,  
and

**WHEREAS** the standard performance agreement will be executed by Corporation  
and QATTOM prior to any funding from Corporation to QATTOM, and

**WHEREAS** the Corporation deems that the project will promote the expansion of  
business in Wharton to future and current job creation.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS  
OF CORPORATION** that;

The Corporation amended its 2017-2018 Fiscal Year Budgets to make funds  
of \$75,000.00 available to QATTOM to reimburse the costs of the PROJECT.

This resolution was adopted at a regular meeting of the Board of Directors  
of Corporation on March 19, 2018.

**WHARTON ECONOMIC DEVELOPMENT CORPORATION, WHARTON,  
TEXAS**

**By:** \_\_\_\_\_  
**Marshall Francis**  
President

**ATTEST;**

\_\_\_\_\_  
**Michael Wootton**  
Vice President

Councilmember Russell Machann seconded the motion. All voted in favor.

The fifteenth item on the agenda was to review and consider is an update of City of Wharton Grant Programs. Community Development Coordinator Gwyn Teves presented an update on the City of Wharton Grant Programs. After some discussion, no action was taken.

The sixteenth item on the agenda was the update of City of Wharton on-going Projects. City Manager Andres Garza, Jr. presented a copy of his memorandum dated April 18, 2018 providing an update on the City of Wharton current projects as of March 31, 2018.



### **FLOOD REDUCTION (LEVEE) PROJECT**

The U.S. Army Corp of Engineers (USACE) Lower Colorado River Phase I Report - City of Wharton Flood Prevention Project and Recommended report is located at the Wharton County Library and the office of the City of Wharton City Secretary for viewing or the report may be viewed on line at <http://www.cityofwharton.com/information-a-notices/lcrb-feasibility-study>. The City Council authorized the submission of a loan application to the Texas Water Development Board (TWDB) for the first phase of the levee project. The City Staff re-submitted the project to Texas Water Development Board for the 2017 Program Year under the Clean Water State Revolving Fund for loan forgiveness consideration. Also, there has been some federal legislation passed in Congress that may provide funding for the project. The City Staff is working with the Fort Worth District Office regarding the legislation. The USACE is developing the guidance on the process to move this project forward. The City is expecting an announcement from the USACE in late April early May.

### **DRAINAGE:**

#### **1. Stavena Addition Drainage Project.**

The design and construction plans are complete. The challenge on this project is to find locations to place approximately 35,000 cubic yards of soil.

#### **2. Ahldag Ditch Improvement.**

The project was approved by the City Council. Public Works Director is currently working out the details.

#### **3. On-going Drainage and Maintenance Program.**

The Public Works Department has continued working on cleaning residential draining ditches that have experienced poor drainage.

#### **4. Pecan Acres (Mahann, Kinkaid, Delmas) Drainage Project.**

The project area has been surveyed and an improvement plan has been developed by Schibe Engineering. The City Staff has contacted property owners for the necessary easements needed to install the drainage pipes. All four (4) property owners have executed the drainage agreements and have been accepted by the City Council. The Public Works Department will begin the installation of drainage pipes in the near future.

### **WATER/SEWER IMPROVEMENTS:**

#### **1. On-going Water and Sewer Maintenance Program.**

Water leaks and sewer failures are still being seen in the month of March.

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**2. Alabama Street Sewer Line Project.**

The project has been completed and grant closeout had begun.

**STREET IMPROVEMENTS**

**1. FM 1301 Extension and Overpass Project Progress Report.**

IDC Inc. has submitted to TxDOT Yoakum District Office all required plans for the project. The City Staff continues to coordinate with TxDOT to ensure the project continues to move forward. The City is awaiting TxDOT announcement of the project to be funded in Wharton County.

**2. I-69 Project.**

The City submitted the comments as approved by the City Council to TxDOT.

**3. NanYa Exit Ramp Project.**

TxDOT has been coordinating with NanYa on the exit design.

**4. 2017-2018 City Street Improvements.**

The City 2017-2018 Street Improvement Program was approved by the City Council on April 9, 2018. The City Public Works Department has begun the Street Improvement Project. Monthly updates will be submitted to the Mayor and City Council as the project progresses.

After some discussion, no action was taken.

The seventeenth item on the agenda was to review and consider Appointments to the City of Wharton Boards, Commissions, and Committees:

- A. Beautification Commission.
- B. Building Standards Commission.
- C. Plumbing and Mechanical Board.
- D. City Council Committees.
- E. Proposed Finance Housing Corporation.

After some discussion, Councilmember Russell Machann moved to appoint the following:

- A. Beautification Commission. Term Expiring  
Devory A. Francis June 30, 2019

Mayors Committee on People with Disability Term Expiring

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James Smith

June 30, 2019

Councilmember Terry Freese seconded the motion. All voted in favor.

The eighteenth item on the agenda was to review and consider City Council Boards, Commissions and Committee Reports:

A. Public Works Committee Meeting held April 9, 2018.

After some discussion, no action was taken.

The nineteenth item on the agenda was City Manager's Reports:

- |   |                                 |
|---|---------------------------------|
| A. City Secretary/Personnel.                                      | H. Fire Marshall.               |
| B. Code Enforcement.  | I. Legal Department.            |
| C. Community Services Department /<br>Civic Center.               | J. Municipal Court.             |
| D. Emergency Management.  | K. Police Department.           |
| E. E.M.S. Department.   | L. Public Works Department.     |
| F. Facilities Maintenance Department /<br>Wharton Municipal Pool. | M. Water / Sewer Department.    |
| G. Fire Department.   | N. Weedy Lots / Sign Ordinance. |
|   | O. Wharton Regional Airport.    |

After some discussion, no action was taken.

The twentieth item on the agenda was to review and consider a resolution authorizing the sale of City of Wharton surplus personal property in accordance with the City Charter Section 75 Sale of City Personal Property through [www.publicsurplus.com](http://www.publicsurplus.com). City Manager Andres Garza, Jr. presented a copy of the list of surplus personal property that the City Staff was requesting City Council approval to advertise for bids and a draft resolution authorizing the surplus personal property bidding process through [www.publicsurplus.com](http://www.publicsurplus.com) and authorizing the City Manager to sell items that were not sold through the bidding process on a first come first serve basis. City Secretary Paula Favors stated the City Charter Section 75 Sale of City personal property; procedures, required that items that are valued at \$1,000 or more must be sold through the bidding process. After some discussion, Councilmember Al Bryant moved to approve City of Wharton Resolution No. 2018-32, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2018-32**

**A RESOLUTION AUTHORIZING THE SALE OF CITY OF WHARTON SURPLUS PERSONAL PROPERTY IN ACCORDANCE WITH THE CITY CHARTER SECTION 75 SALE OF CITY PERSONAL PROPERTY THROUGH WWW.PUBLICSURPLUS.COM.**

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**WHEREAS,** the City of Wharton has identified surplus personal property; and,

**WHEREAS,** the Wharton City Council of the City of Wharton wishes to authorize the City Manager to sell the surplus personal property (Attachment A) directly to the public by publication notification in accordance with the City Charter Section 75 Sale of City personal property; and,

**WHEREAS,** the Wharton City Council authorizes sale of surplus property through [www.publicsurplus.com](http://www.publicsurplus.com); and,

**WHEREAS,** the Wharton City Council wishes to authorize the City Manager to sell City personal property out right on a first come first serve basis if said property did not sell through the bidding process.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHARTON, TEXAS** that:

**Section I.** The City Council of the City of Wharton hereby authorizes the City Manager to sell the City of Wharton surplus personal property (Attachment A) in accordance with the City Charter Section 75 Sale of City personal property procedures.

**Section II.** The City Council of the City of Wharton hereby authorizes the sale of this personal property by publication notification.

**Section III.** The Wharton City Council authorizes sale of surplus property through [www.publicsurplus.com](http://www.publicsurplus.com).

**Section IV.** The Wharton City Council hereby authorizes the City Manager to sell City personal property out right on a first come first serve basis if said property did not sell through the bidding process.

**Section V.** This resolution shall become effective immediately upon its passage.

**Passed, Approved, and Adopted** this 23rd day of April 2018.

**CITY OF WHARTON, TEXAS**

**By:**

\_\_\_\_\_  
**TIM BARKER**  
Mayor

**ATTEST:**

\_\_\_\_\_  
**PAULA FAVORS**

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City Secretary

Councilmember Steve Schneider seconded the motion. All voted in favor.

The twenty-first item on the agenda was adjournment. There being no further discussion, Councilmember Al Bryant moved to adjourn. Councilmember Terry Freese seconded the motion. All voted in favor.

The meeting adjourned at 7:35 p.m.

**CITY OF WHARTON, TEXAS**

By: \_\_\_\_\_

**Tim Barker**  
**Mayor**

**ATTEST:**

\_\_\_\_\_  
**Paula Favors**  
**City Secretary**