

**MINUTES  
OF  
CITY OF WHARTON  
REGULAR CITY COUNCIL MEETING  
OCTOBER 25, 2010**

Mayor Pro-Tem Don Mueller declared the Regular Meeting duly open for the transaction of business at 7:00 P.M. Mayor Pro-Tem Don Mueller led the opening devotion and then led the pledge of allegiance.

Councilmember's present were: Mayor Pro-Tem Don Mueller, Councilmembers V. L. Wiley, Jr., Lewis Fortenberry, Jr., Terry David Lynch, Bryce D. Kocian, and Jeff Gubbels.

Councilmember absent was: Mayor Domingo Montalvo, Jr.

Staff members present were: City Manager Andres Garza, Jr., Finance Director Joan Anel, Assistant to City Manager Jackie Jansky, City Secretary Lisa Olmeda, Public Works Director Carter Miska, Building Official Ronnie Bollom, and City Attorney Paul Webb.

Visitors present were: Barry Halvorson with Wharton Journal Spectator, David Schroeder with Wharton Economic Development Corporation, Carlos Cotton with Jones & Carter, Christine Cerny with CenterPoint, Jeff Rainer with Sonic, and Jonathan Kulak with Red Barn Nursery.

The second item on the agenda was Roll Call and Excused Absences. Councilmember Terry David Lynch made a motion to excuse the absence of Mayor Domingo Montalvo, Jr. from the Regular City Council meeting held October 25, 2010. Councilmember V. L. Wiley, Jr. seconded the motion. All voted in favor.

The third item on the agenda was Public Comments. No comments were given. No action was taken.

The fourth item on the agenda was Wharton Moment. No comments were given. No action was taken.

The fifth item on the agenda was a proclamation designating the week of November 1 – 5, 2010 as Municipal Judges and Court Clerk Week in the City of Wharton. Mayor Pro-Tem Don Mueller presented the proclamation, which read as follows:

**WHEREAS,** The Wharton Municipal Court, a vital part of local government; and

**WHEREAS,** more people, citizens and non-citizens alike, come in personal contact with municipal courts than all other Texas courts combined, and

**WHEREAS,** public impression of the entire Texas judicial system is largely dependent upon the public's experience in municipal court, and

**WHEREAS,** Municipal Judges and Court Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all, and conform to the standards set by the Canons of Judicial Conduct, and

**WHEREAS,** the Municipal Courts play a significant role in preserving the quality of life in Texas communities through the adjudication of traffic offenses, ensuring a high level of traffic safety for our citizens, and

**WHEREAS,** the Municipal Courts serve as the local justice center for the enforcement of local ordinances and fine-only state offenses that protect the peace and dignity of our community, and

**WHEREAS,** the Municipal Judges and Court Clerks continually strive to improve the administration of justice through participation in judicial education programs, seminars, workshops and the annual meetings of their state and local professional organizations.

**NOW, THEREFORE,** I, Don Mueller, by the authority vested in me as Mayor Pro-Tem of the City of Wharton, Texas, do recognize the week of November 1 – 5, 2010, as Municipal Court Week, and further extend appreciation to all Municipal Judges and Court Clerks for the vital services they perform and their exemplary dedication to our community. I call upon all residents of Wharton to join with the City Council in recognizing the vital service they perform and their exemplary dedication to the communities they represent.

**IN WITNESS THEREOF,** I have set my hand and caused the seal of the City of Wharton to be affixed this 25<sup>th</sup> day of October in the year of our Lord two thousand ten A.D.

No action was taken.

The sixth item on the agenda was to review and consider the City of Wharton Financial Report for the month of September 2010. Finance Director Joan Andel presented the financial report for the month of September 2010 to the City Council and stated that the auditors would be reviewing the year-end financials. Mrs. Andel stated the TexPool balance for September was \$159,173.49 with an average monthly yield of 0.2165%. The Prosperity Bank balance for September 2010 was \$1,429,099.18 with an average monthly yield of 0.13%. She stated that other investments included \$2,655.09 at TexasGulf Federal Credit Union in the debt fund, \$254,284.73 at Capital One Marketing 2%, and Prosperity Bank \$1,007,479.45, six months at 1.00% interest, and \$252,344.62, one year at 1.25% interest. After some discussion, Councilmember Lewis Fortenberry, Jr. made a motion to approve the City of Wharton Financial Report for the month of September 2010. Councilmember Bryce D. Kocian seconded the motion. All voted in favor.

The seventh item on the agenda was to review and consider a resolution of the Wharton City Council ratifying the execution of a land lease agreement for approximately one (1) acre of land located at the Wharton Regional Airport between the City of Wharton and Sheehan Pipeline Construction Company. City Manager Andres Garza, Jr. stated that during the City Council

Finance Committee meeting held October 18, 2010, the Committee voted to recommend the City Council consider approving the execution of a land lease agreement for the one (1) acre parking pad located at the Wharton Regional Airport with Sheehan Pipeline Construction Company. He said that the pad was constructed several years ago for the lease to Dupre Trucking Company for the parking of the company's truck containers. He said that Sheehan Pipeline Construction Company would be using the site for one (1) month as temporary offices and storage area for pipeline construction equipment, which they had offered the City a monthly rental rate of \$3,000. He stated that if the duration of the use of the parking facility should extend additional time, the rate would be \$3,000 for each month. He said that since time was of the essence and the company needed to mobilize to the site, the contract was fully executed and the City Staff was requesting the execution of the contract be ratified. He then presented a draft resolution ratifying the execution of the agreement. He stated that City Attorney Paul Webb had reviewed the agreement. City Attorney Paul Webb stated that Assistant to City Manager Jackie Jansky took pictures of the site; therefore, Sheehan Pipeline Construction Company would need to leave the site in the same prior condition. After some discussion, Councilmember Jeff Gubbels made a motion to approve Resolution No. 2010-82, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-82**

**A RESOLUTION OF THE WHARTON CITY COUNCIL RATIFYING THE  
EXECUTION OF A LAND LEASE AGREEMENT FOR APPROXIMATELY ONE (1)  
ACRE OF LAND LOCATED AT THE WHARTON REGIONAL AIRPORT BETWEEN  
THE CITY OF WHARTON AND SHEEHAN PIPELINE CONSTRUCTION COMPANY.**

**WHEREAS,** Sheehan Pipeline Construction Company has shown an interest in leasing approximately one (1) acre of land at the Wharton Regional Airport for use as temporary office and equipment storage for one (1) month effective October 18, 2010; and

**WHEREAS,** the City Council Finance Committee met October 18, 2010 and voted to recommend the City Council consider approving a lease agreement between the City of Wharton and Sheehan Pipeline Construction Company for the said one (1) acre of land; and

**WHEREAS,** time was of the essence and on October 20, 2010, Mayor Domingo Montalvo, Jr. fully executed said agreement; and

**WHEREAS,** the Wharton City Council wishes to ratify the execution of the lease agreement between the City of Wharton and Sheehan Pipeline Construction Company for the said one (1) acre of land effective October 18, 2010 for a monthly rate of \$3,000.00.

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

**Section I.** That the City Council of the City of Wharton hereby ratifies the execution of the lease agreement between the City of Wharton and Sheehan Pipeline Construction

Company for approximately one (1) acre of land effective October 18, 2010 for a monthly rate of \$3,000.00.

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

**Passed, Approved, and Adopted** this 25<sup>th</sup> day of October 2010.

**CITY OF WHARTON, TEXAS**

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

**DON MUELLER**

Mayor Pro-Tem

**ATTEST:**

\_\_\_\_\_  
**LISA OLMEDA**

City Secretary

Councilmember Lewis Fortenberry, Jr. 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 approving a contract between the City of Wharton and the Department of State Health Services for funding for two (2) Cardiac Monitor Defibrillators and authorizing the Mayor of the City of Wharton to execute the agreement. City Manager Andres Garza, Jr. presented a copy of the agreement from the Department of State Health Services for \$15,000 that would be used to assist the City of Wharton to fund the purchase of two (2) Cardiac Monitor Defibrillators for use by the Wharton EMS Department. He also presented a copy of the draft resolution approving the agreement. He stated that the City Staff was recommending approval. After some discussion, Councilmember Terry David Lynch made a motion to approve Resolution No. 2010-83, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-83**

**A RESOLUTION OF THE WHARTON CITY COUNCIL APPROVING A CONTRACT BETWEEN THE CITY OF WHARTON AND THE DEPARTMENT OF STATE HEALTH SERVICES FOR FUNDING FOR TWO (2) CARDIAC MONITOR DEFIBRILLATORS AND AUTHORIZING THE MAYOR OF THE CITY OF WHARTON TO EXECUTE THE AGREEMENT.**

**WHEREAS,** the City of Wharton received a grant award from the Department of State Health Services in the amount of \$15,000 for the purchase of two (2) cardiac monitor defibrillators for use by the Wharton EMS Department; and,

**WHEREAS,** the Wharton City Council wishes to approve the agreement between the City of Wharton and the Department of State Health Services for the grant award; and

**WHEREAS,** the City of Wharton and the Department of State Health Services wishes to be bound by the conditions as set forth in the agreement; and

**WHEREAS,** the Wharton City Council wishes to authorize the Mayor of the City of Wharton to execute the agreement.

**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 approves the agreement between the City of Wharton and the Department of State Health Services for the grant award in the amount of \$15,000 for the purchase of two (2) cardiac monitor defibrillators for use by the Wharton EMS Department.

**Section II.** That the City of Wharton and the Department of State Health Services are hereby bound by the conditions as set forth in the agreement.

**Section III.** That the Mayor of the City of Wharton is hereby authorized to execute the agreement.

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

**Passed, Approved, and Adopted** this 25<sup>th</sup> day of October 2010.

**CITY OF WHARTON, TEXAS**

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

**DON MUELLER**

Mayor Pro-Tem

**ATTEST:**

\_\_\_\_\_  
**LISA OLMEDA**

City Secretary

Councilmember Bryce D. Kocian seconded the motion. All voted in favor.

The ninth 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 Houston Electric, LLC (CenterPoint) for authority to change rates and adopt certain rate riders; Denying CenterPoint’s proposed rate increase, Finding that the existing electric Distribution Rates of CenterPoint are unreasonable and should be reduced; Ordering CenterPoint to reduce its existing rates within the City of Wharton; Ordering CenterPoint to submit Tariffs Consistent with the recommendation of the Texas Coast Utilities Coalition of Cities’ consultant working in coordination with other cities in Public Utility Commission Docket No.38339; Ordering CenterPoint to reimburse the City for its reasonable costs incurred in this rate case and any related ratemaking proceedings or appeals of said proceedings; Determining that the meeting complied with the Texas Open Meetings Act; making such other findings and Provisions related to the subject; and declaring an effective date. City Manager Andres Garza, Jr. presented a copy of the email dated October 11, 2010 from Mr. Alfred R. Herrera, Attorney for Herrera & Boyle, PLLC regarding CenterPoint Energy’s application for an increase in rates. He also presented a copy of information regarding the Notice of Denial of CenterPoint’s intent to increase the rates submitted on or about June 30, 2010 and a

draft copy of a resolution of the City of Wharton responding to CenterPoint's intent to increase rates and to deny the proposed rate increase. He said that the City Council Finance Committee met on October 18, 2010 and voted to recommend the City Council consider approving the resolution. City Attorney Paul Webb stated that in the packet was a brief outline and recommended the City Council adopt the resolution to keep the rates as low as possible. City Manager Garza stated that the City of Wharton has original jurisdiction in rate settings therefore City Council action was needed and recommended approval of the resolution. After some discussion, Councilmember Jeff Gubbels made a motion to approve Resolution No. 2010-84, which read as follows:

**CITY OF WHARTON  
RESOLUTION NO. 2010-84**

**A RESOLUTION BY THE CITY OF WHARTON, TEXAS, ("CITY")  
RESPONDING TO THE APPLICATION OF CENTERPOINT ENERGY  
HOUSTON ELECTRIC, LLC (CENTERPOINT) FOR AUTHORITY TO  
CHANGE RATES AND ADOPT CERTAIN RATE RIDERS; DENYING  
CENTERPOINT'S PROPOSED RATE INCREASE; FINDING THAT THE  
EXISTING ELECTRIC DISTRIBUTION RATES OF CENTERPOINT  
ARE UNREASONABLE AND SHOULD BE REDUCED; ORDERING  
CENTERPOINT TO REDUCE ITS EXISTING RATES WITHIN THE  
CITY OF WHARTON; ORDERING CENTERPOINT TO SUBMIT  
TARIFFS CONSISTENT WITH THE RECOMMENDATION OF THE  
TEXAS COAST UTILITIES COALITION OF CITIES' CONSULTANT  
WORKING IN COORDINATION WITH OTHER CITIES IN PUBLIC  
UTILITY COMMISSION DOCKET NO. 38339; ORDERING  
CENTERPOINT TO REIMBURSE THE CITY FOR ITS REASONABLE  
COSTS INCURRED IN THIS RATE CASE AND ANY RELATED  
RATEMAKING PROCEEDINGS OR APPEALS OF SAID  
PROCEEDINGS; DETERMINING THAT THE MEETING COMPLIED  
WITH THE TEXAS OPEN MEETINGS ACT; MAKING SUCH OTHER  
FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND  
DECLARING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Wharton, Texas ("City") is a regulatory authority under the Public Utility Regulatory Act ("PURA") and pursuant to § 33.0001, the City has exclusive original jurisdiction over the electric rates, operations, and services provided within city limits; and

**WHEREAS**, the City has the authority under PURA §§ 33.001 and 36.001, to determine whether the existing rates of an electric utility are unreasonable or in any way a violation of any provision of law; and

**WHEREAS**, on or about June 30, 2010, CenterPoint Energy Houston Electric, LLC (CenterPoint) filed with the City Secretary an application for authority to change rates and to adopt certain rate riders ("the application"); and

**WHEREAS**, on or about June 30, 2010, CenterPoint, pursuant to PURA §§ 33.001 and 36.001, filed with the City of Wharton a Statement of Intent to change delivery rates in all municipalities exercising original jurisdiction within its service area effective August 6, 2010; and

**WHEREAS**, the City previously authorized participation with the Texas Coast Utilities Coalition (“TCUC”) in hiring experts and legal counsel to review CenterPoint’s Statement of Intent; and

**WHEREAS**, the City suspended the effective date of the Company’s requested rate change; and

**WHEREAS**, TCUC representatives obtained additional information from the Company through written requests for information; and

**WHEREAS**, the City’s consultants and representatives through cooperative efforts under the direction of TCUC have reviewed the rate filing package and responses to information and have made a recommendation to the City regarding the rates to be charged by the Company within the City; and

**WHEREAS**, on October 25, 2010, this Resolution was properly noticed and the Company and any interested citizen was given an opportunity to address the City Council regarding the Company’s current rates and it’s Statement of Intent to increase rates; and

**WHEREAS**, PURA § 36.151(a) provides that if a regulatory authority, on its own motion or on complaint by an affected person, after reasonable notice and hearing, finds that the existing rates of an electric utility for a service are unreasonable or in violation of law, the regulatory authority shall enter an order establishing the just and reasonable rates to be observed thereafter, and serve a copy of the order on the electric utility; and

**WHEREAS**, PURA § 36.151(b) provides that the rates thus ordered by the regulatory authority constitute the legal rates of the electric utility until changed as provided by PURA; and

**WHEREAS**, after affording reasonable notice and hearing to the Company, it is the City’s opinion that the Company’s rates are not reasonable, and

**WHEREAS**, based upon City’s Special Counsel and the consultants’ findings, the City has made a determination of the reasonableness of the existing rates of the Company, and has determined just and reasonable rates to be hereafter observed and enforced for all services of the Company within the City.

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

**Section 1.** That the Company was given reasonable notice of the Council’s meeting at which the Company’s rate application was considered, and the Company had a reasonable opportunity to show the City that its rates were just and reasonable.

**Section 2.** That the Company failed to show that it’s proposed or existing rates are just and reasonable.

**Section 3.** That the adjustments to the Company's Statement of Intent proposed by Diversified Utilities Consulting, Inc., and Mr. Jacob Pous on behalf of TCUC and the overall coordinated recommendation of the cities submitted in Public Utility Commission of Texas ("PUC") Docket No. 38339, and provided to the Company on September 10, 2010, are reasonable and that it is, therefore, reasonable to reduce the Company's *proposed* increase of approximately \$110.8 million in its annual revenue, by \$259.8 million, which represents a reduction to its *current* revenue of about \$149.1 million comprised of a reduction of approximately \$114 million for retail distribution rates, and approximately \$35 million for wholesale transmission rates from the level of CenterPoint's *existing* annual revenue.

**Section 4.** That within ten days of the adoption of this Resolution, CenterPoint shall file with the City rate tariffs consistent with the adjustments proposed by Mr. Pous and the other cities' experts who coordinated with TCUC, and the costs allocation and rate design recommendations proposed by the cities' experts in PUC Docket No. 38339, and provided to the Company on September 10, 2010, that will result in a reduction in current annual revenue of \$149 million. Included in this recommendation, but not limited by it, is the requirement that franchise fees be recovered from all customers in base rates, denial of the Company's Storm Hardening Rider as an unauthorized automatic recovery mechanism, and denial of the Company's alternative customer charge.

Such tariffs shall constitute just and reasonable rates and establish the Company's overall revenues at an amount that will permit the Company a reasonable opportunity to earn a reasonable return on its invested capital used and useful in providing services to the public in excess of the Company's reasonable and necessary operating expenses, in compliance with PURA § 36.151.

**Section 5.** That the Company shall upon the effective date of this Resolution begin charging rates set forth in the Tariffs that are consistent with the recommendation of TCUC and the witnesses it coordinated with in PUC Docket No. 38339.

**Section 6.** That the existing rates, services charges, and tariff language not inconsistent with the recommendations of TCUC and the witnesses it coordinated with in PUC Docket No. 38339 shall remain operative.

**Section 7.** That within thirty days of the adoption of this Resolution, the Company shall reimburse TCUC for all ratemaking costs associated with TCUC's activities related to the rate proceeding and thereafter make prompt reimbursement on a monthly basis to cover costs of appeals to the PUC or Courts, in accordance with PURA § 33.023.

**Section 8.** That a copy of this Resolution shall be sent to Stephen Bezecny, Director, Regulatory Relations, CenterPoint Energy, Inc. 111 Louisiana St., Houston, Texas, 77002 and Alfred R. Herrera, at Herrera and Boyle, PLLC, 816 Congress Avenue, Suite 1250, Austin, Texas 78701.

**Section 9.** That the City is authorized to intervene in any appeal of the City's action filed at the PUC and to otherwise participate in any litigation associated with the Company's rates charges in the City, in conjunction with TCUC.

**PASSED AND APPROVED** this 25<sup>th</sup> day of October 2010.

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DON MUELLER  
MAYOR PRO-TEM

ATTEST:

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LISA OLMEDA  
CITY SECRETARY

APPROVED AS TO FORM:

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PAUL WEBB  
CITY ATTORNEY

Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

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

- A. Beautification Commission.
- B. Planning Commission.
- C. Holiday Lighting Chairman.
- D. Wharton Economic Development Corporation Board of Directors.
- E. City Manager Andres Garza, Jr. stated that vacancies remained on the Boards,

Commissions and Committees. He said that the City Council may make recommendations to fill the vacant positions. He then presented a current list of the Boards, Commissions and Committee members and vacancies. He stated that two applications were submitted for Wharton Economic Development Corporation Board of Directors, which were presented to the City Council Selection Committee for consideration. He said that there were currently three directors needed; therefore, the City Staff would forward to the City Council all applications once they were received. After some discussion, no action was taken.

The eleventh item on the agenda was to review and consider the request by Mr. Jonathan Kulak, Owner of Red Barn Nursery for a variance from the City of Wharton Code of Ordinances, Chapter 34 Health and Sanitation, Section 34-51 Accumulation or growth of weeds or brush, Item (b) Duty to Cut Growth (3)c – Storage of Hay within the City limits. City Manager Andres Garza, Jr. presented a copy of the letter dated October 21, 2010 from Mr. Jonathan Kulak, Owner of the Red Barn Nursery requesting the City Council to consider approving the storage of hay bales each year during the Halloween Season which were used to decorate his pumpkin patch. He also presented a copy of the City of Wharton Code of Ordinances, Chapter 34 Health and Sanitation, Section 34-51 Accumulation or growth of weeds or brush, Item (b) Duty to Cut Growth (3)c – Storage of Hay within the City limits. Mr. Kulak addressed the City Council and stated that the City ordinance addressed cutting hay; however, Red Barn Nursery was utilizing the hay for decorations. He stated that other cities allowed the use of the hay for seasonal purposes. He stated that the hay would be at the location for approximately two weeks in order to

accommodate 500-600 pumpkins and they would be removed by November 2, 2010. Mayor Pro-Tem Don Mueller stated that the hay was placed on concrete. Mr. Kulak stated that the hay would not be sold. Councilmember Bryce D. Kocian stated that he was concerned with the Fire Inspector report in regards to the storage of the hay on the property. Mr. Kulak stated that the round bales were moved 50' from the roadway in order to keep them away from the City right-of-way. Councilmember Lewis Fortenberry, Jr. stated that he had a concern with the number of bales on the property. After some discussion, Councilmember Bryce D. Kocian made a motion to approve the request by Mr. Jonathan Kulak, Owner of Red Barn Nursery for a variance from the City of Wharton Code of Ordinances, Chapter 34 Health and Sanitation, Section 34-51 Accumulation or growth of weeds or brush, Item (b) Duty to Cut Growth (3)c – Storage of Hay within the City limits; however, in September 2011, the City Council would need to approve a plan for future variances. Councilmember Terry David Lynch seconded the motion. All voted in favor.

The twelfth item on the agenda was to review and consider the request by Mr. Jeff Rainer, Owner of Sonic Drive-In for placement of an electronic display sign to be located at 120 W. Boling Hwy., Wharton Sonic, Lot 1 and Sols, Block 1-Odd, Lot 59B-2 and 59B-3. Assistant to City Manager Jackie Jansky presented a copy of the application for variance submitted by Mr. Jeff Rainer, Owner of Sonic Drive-In for placement of an electronic display sign to be located at 120 W. Boling Hwy., Wharton Sonic, Lot 1 and Sols, Block 1-Odd, Lot 59B-2 and 59B-3. She said that Mr. Rainer was requesting to replace the existing reader board sign with a changeable electronic variable message sign. She then presented a copy of the City of Wharton Code of Ordinances, Chapter 66, Signs and Advertising, Section 66-29 Prohibited Acts, which indicated that the electronic signs were prohibited. She said that the Planning Commission met on Monday, October 25, 2010 to discuss the request and then presented a copy of the memorandum dated October 25, 2010 from Planning commission Chairman A. J. Rath providing the Planning Commission's recommendation for City Council to consider approving the request. Mr. Jeff Rainer addressed the City Council and stated the Sonic Corporation would control the messages on the board. He also stated that the sign had the capability to interact with the Emergency Management office during events. He stated that the sign would not have directional arrows. After some discussion, Councilmember Terry David Lynch made a motion to approve the request by Mr. Jeff Rainer, Owner of Sonic Drive-In for placement of an electronic display sign to be located at 120 W. Boling Hwy., Wharton Sonic, Lot 1 and Sols, Block 1-Odd, Lot 59B-2 and 59B-3. Councilmember Lewis Fortenberry, Jr. seconded the motion. All voted in favor.

The thirteenth item on the agenda was Status Report on City of Wharton Projects. City Manager Andres Garza, Jr. presented a copy of the memorandum dated October 25, 2010 providing an update on the City of Wharton on-going projects, which read as follows:

**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 was 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.swf.usace.army.mil/pubdata/notices/LowerColorado/>.

On October 13, 2010, the City Staff met with the USACE, Halff Assoc., and Fugro to discuss the required right of entry agreements and soil testing. The City Staff had submitted to the USACE the executed right of entry agreements for the City owned property; however, the USACE was needing the agreements for the privately owned properties. The City Staff was preparing to contact the property owners to discuss the right of entry agreements with them. Also, after the meeting, the City Staff, USACE, Halff Assoc., and Fugro also walked the preliminary levee alignment to identify potential right of entry problems and problems associated with soil borings.

#### **DRAINAGE:**

1. Santa Fe Outfall Channel.

City employees and Wharton County Precinct 1 resumed excavation on August 9, 2010.

Currently, crews were excavating approximately 300' downstream of Hodges Ln. The Public Works Department was in the process of purchasing two drop structures to assist in controlling erosion between Hwy 60 and FM 1299. The Department intended to have these installed within the next couple of months weather permitting. Excavation would continue weather permitting.

2. Highway 60 & Old Lane City Road Drainage Improvements

City staff met with Jones & Carter, Inc. the week of October 18<sup>th</sup> to discuss final design changes prior to submittal to TxDOT. City Staff and Jones & Carter, Inc. made minor changes. The next step was submittal to TxDOT for review and comment.

City staff was currently preparing cost estimates on the project.

3. Richmond Rd., Fulton St., and Armstrong St. Drainage Improvements

City staff met with Jones & Carter, Inc. the week of October 18<sup>th</sup> to discuss several options including dividing the project into different phases or priority areas.

4. Croom Park Drainage Improvements

Minor touch ups were still needed. These would be made as soon as weather permits.

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

1. Ahldag Addition Sanitary Sewer Project - TxCDBG Contract No. 728459.

Supak Construction was able to complete the final punch list and this project was now considered complete.

The project was a great success. In all, the City was able to replace 5,933' of six inch, eight inch, and ten inch sanitary sewer lines. In addition, new manholes and service leads were installed along the entire length. The City also replaced twenty-seven sewer leads along Dahlgren and Fulton streets.

2. Ahldag Addition Sanitary Sewer Project – TxCDBG Contract No. R729710.

AR Turnkey Construction Company Inc. began construction on October 15, 2010 on Mulberry St.

3. Water Storage Tank Maintenance Program.

City Staff met the week of October 18<sup>th</sup> to continue discussions and attempt to finalize plans for maintaining the water storage tanks.

4. Alabama Water Well Rework

The majority of the work on Water Well No. 1 had been completed. The well was temporarily back on-line. Once Water Well No. 3 work was complete, Well No. 1 would be shut down to install a new motor. Once the motor was installed both wells can be brought back on line.

Work on Water Well No. 3 had begun. The well was lowered to increase submergence. Currently bacteria tests were being run and staff was waiting on results.

5. Quick Connect/Transfer Switch Project

Jones & Carter, Inc. had completed electrical engineering designs for all city lift stations, city water plants, City Hall, the Fire Station, EMS Headquarters, WWTP #1, and WWTP#2. Electrical Automation Controls should begin construction within the next thirty (30) days.

6. Pressure Switches at City Water Plants

Construction began May 24<sup>th</sup> and was completed on August 17, 2010. City Staff discovered a problem with the switches and new ones had to be installed. City Staff was currently tweaking the switches in an effort to equalize pumping time at all of the wells.

7. Energy Efficiency Audit

City Staff met with Siemens Industry, Inc. representatives on October 20, 2010. The group discussed the areas identified by Siemens that could be improved to provide energy savings and worked towards prioritizing the items and discussed possible solutions.

**STREET IMPROVEMENTS**

1. Phase I - FM 102 Relocation and Overpass Project and Phase II - Road Extension Project between FM 102 to US Highway 59 and Service Roads project.

Overall - The City has submitted the US DOT TIGER II Grant application for funding for the project. Information was posted in the internet informing the public of the projects that were awarded funding under the grant. The City of Wharton was not among those who received funding. Additional, a Phase I Environmental Assessment had been completed and surveying was underway.

Phase I – FM 102 Relocation and Overpass Project – The City Staff and Texas Department of Transportation (TxDOT) representatives were currently working on the TxDOT Advance Funding Agreement for this phase of the project.

Phase II - Road Extension Project between FM 102 to US Highway 59 and Service Roads project. - The City of Wharton had also closed on the agreements with Ms. Myrtis Outlar for the required land acquisition for this phase of the project.

2. 2010 Street Improvement Program

As of September 1, 2010 all city streets approved for rework by the City Council were completed.

The street crew was also nearing completion on the new parking lot at the airport. In addition, the crew nearing completion on Benedict Hundl's private drive at the end of Wisteria as specified in his contract with City concerning the Santa Fe Channel.

3. Wharton Sidewalk Accessibility and Historic Streetscape Project

City Staff met on October 18, 2010 to get familiarized with the project and discuss several issues. A meeting had been scheduled with the City Staff and Mr. Billy J. Goodrich, P.E. of the Texas Department of Transportation to walk thru the project. Once the walk thru would be conducted, the State should issue the contract documents.

City Manager Andres Garza, Jr. presented the report to the City Council. No action was taken.

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

A. Beautification Commission meeting held October 13, 2010.

B. City Council Finance Committee meeting held October 18, 2010.

B. Wharton Economic Development Corporation meeting held October 18, 2010.

City Manager Andres Garza, Jr. presented the reports to the City Council. No action was taken.

The fifteenth item on the agenda was to review and consider the City Manager's Reports:

A. City Secretary/Personnel.

I. Legal Department.

B. Code Enforcement.

J. Municipal Court.

C. Community Services Department  
/Civic Center.

K. Police Department

L. Public Works Department.

D. Emergency Management.

M. Water/ Sewer Department.

E. E.M.S. Department.

N. Weedy Lots/ Sign Ordinance.

F. Engineer/Planning Department.

O. Wharton Municipal Pool.

G. Facilities Maintenance Department.

P. Wharton Regional Airport.

H. Fire Department.

City Manager Andres Garza, Jr. presented the reports to the City Council. No action was taken.

The sixteenth item on the agenda was adjournment. After some discussion, Councilmember Bryce D. Kocian made a motion to adjourn. Councilmember Terry David Lynch seconded the motion. All voted in favor.

The meeting adjourned at 7:38 p.m.

**CITY OF WHARTON, TEXAS**

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

**DON MUELLER**  
**Mayor Pro-Tem**

City of Wharton  
Regular City Council Meeting  
October 25, 2010

**ATTEST:**

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**LISA OLMEDA**  
**City Secretary**