

**SPECIAL CALLED CITY COUNCIL MEETING
January 12, 2016**

MINUTES OF THE SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD JANUARY 12, 2017 AT 6:00 P.M. PM IN THE COUNCIL CHAMBER, CITY HALL, 1200 SOUTH COMMERCE, OVERTON, TEXAS.

PRESENT:

C. R. Evans Jr., Mayor
Philip Cox, Mayor Pro Tem
Jerry Clark
Lawrence Davis
John Posey
Michael Paul Williams

ABSENT:

Also in attendance were, Charles Cunningham, City Manager, Clyde Carter, Police Chief and Rachél Gafford, City Secretary representing staff.

I. CALL TO ORDER –Mayor Evans called the meeting to order at 6:06 p.m.

1. Invocation was given by *Councilman Posey*.
2. Pledge of Allegiance was led by *Councilman Clark*.

II. NEW BUSINESS (CONSIDER AND/OR ACTION)

1. Consider and/or take action on an **ORDINANCE NO. 2017-01-12A**; an Ordinance of the City Council of the City of Overton, Texas, finding after reasonable notice and hearing, that Southwestern Electric Power Company's existing electric rates and charges within the City should remain in effect.

City Manager Cunningham presented Ordinance No. 2017-01-12A stating that it is his recommendation that the Ordinance be passed which would deny the rate increase as proposed by SWEPO. Cunningham went on to say that the increase will happen; however, the only action the City has is to be able to delay SWEPCO from being able to implement the rate increase for about 90 days.

Mayor Pro Tem Cox made a motion to adopt Ordinance No. 2017-01-12A as submitted denying the proposed rate increase by SWEPCO.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

2. Consider and/or take action on **RESOLUTION NO. 2017-01-12**; a Resolution of the City Council of the City of Overton, Texas authorizing the submission of a Texas Community Development Block Grant Program Application to the Texas Department of Agriculture for the Community Development Fund; and authorizing the Mayor to act as the

City's Executive Officer and authorized representative in all matters pertaining to the City's participation in the Texas Community Development Block Grant Program.

City Manager Cunningham presented Resolution No. 2017-01-12 stating that the next step in the CDBG application process is to pass the Resolution by City Council authorizing the submission of the Grant Application and for the Mayor to act as the City's Executive Officer in all matters to the City's participation in the Grant. Cunningham stated that the OMDD had just approved to put up the \$50,000.00 in the matching funds for the Grant.

Councilman Davis a motion to adopt Resolution No. 2017-01-12 as submitted.

Councilman Clark seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

3. Consider and/or take action on **ORDINANCE NO. 2017-01-12B**, an Ordinance of the City Council of the City of Overton, Texas authorizing a Loan Agreement for the purpose of refunding the remaining balance of principal and accrued interest on the series 2003 General Obligation and Refunding bonds dated July 15th, 2003 and authorizing the Mayor and City Manager to sign said Agreement on behalf of the City of Overton.

City Manager Cunningham presented Ordinance No. 2017-01-12B stated that he wanted to call everyone's attention to the Amortization Table on page 4 of the proposed Ordinance. The Amortization Schedule showed that the rescheduling of the 2003 GO Bonds would extend the payments out by 5 years but would only cost the City an additional \$21, 853.68; however, it would reduce the payment from \$176,070.00 to \$39,639.55 for 2017 allowing the City to end the year with a surplus of approximately \$136,000.00 which he would like to put approximately \$50,000 to \$75,000 back to begin building the City reserves. This would further allow the City to build the reserves as well as spend the money in other needed critical areas while building these reserves so desperately needed by the City.

Councilman Posey made a motion to adopt Ordinance No. 2017-01-12B as submitted.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

III. ADJOURNMENT

Councilman Clark made a motion to adjourn.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion. No discussion.


Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

With no further business, the meeting was adjourned at 6:33 P. M.

Minutes approved and submitted and/or corrected this 19th day of January, 2017.

CITY OF OVERTON


C. R. Evans, Jr., Mayor

Attested by:


Rachel Gafford, City Secretary



**ATTACHMENT A
ORDINANCE 2017-01-12A**

City of Overton, TX

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City of Overton, TX

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ORDINANCE NO. 2017-01-12A

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, FINDING AFTER REASONABLE NOTICE AND HEARING, THAT SOUTHWESTERN ELECTRIC POWER COMPANY'S EXISTING ELECTRIC RATES AND CHARGES WITHIN THE CITY SHOULD REMAIN IN EFFECT

WHEREAS, pursuant to §33.001 of the Public Utility Regulatory Act, the City of Overton has exclusive, original jurisdiction over the electric rates, operations and services provided within its City limits by Southwestern Electric Power Company (SWEPCO or the Company).

WHEREAS, on December 16, 2016, SWEPCO filed with the City of Overton a Petition and Statement of Intent seeking an overall net increase of 12.7% in total fuel and non-fuel revenues; and

WHEREAS, the Company proposed an effective date of January 20, 2017.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT

SECTION 1. It is hereby found and determined that said meeting at which this Ordinance was passed in a meeting that was open to the public, as required by Texas law, and that advance public notice of the time, place and purpose of said meeting was given.

SECTION 2. SWEPCO's request for approval of its base rates increase is denied. The existing rates and charges of SWEPCO are hereby found to be just and reasonable rates and the City adopts such existing rates to continue to be observed and to be in force within the City hereafter.

SECTION 3. The base rates set forth in this Ordinance may be changed and amended by either the City or the Company only as provided by law.


SECTION 4. This Ordinance shall be served on SWEPCO by U.S. Mail to the Company's authorized representative, Henry C. Steele, 400 West 15th Street, Suite 1520, Austin, Texas 78701.

SECTION 5. Nothing contained in this Ordinance shall be construed now or hereafter in limiting or modifying, in any manner, the right and power of the City under law to regulate the base rates and charges of SWEPCO.

**PRESENTED AND APPROVED ON THIS THE 12th DAY OF JANUARY, 2017,
AT A SPECIAL CALLED COUNCIL MEETING OF THE CITY OF OVERTON BY
A VOTE OF 5 AYES, 0 NAYS, AND 0 ABSTENTIONS.**

SIGNED, this 12th day of January, 2017.

CITY OF OVERTON

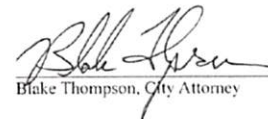
By: 
C.R. Evans, Jr., Mayor

ATTEST:


Rachel Gafford, City Secretary



APPROVED AS TO FORM AND LEGALITY:


Blake Thompson, City Attorney

**ATTACHMENT B
RESOLUTION 2017-01-12**

City of Overton, TX

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RESOLUTION NO. 2017-01-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE COMMUNITY DEVELOPMENT FUND; AND AUTHORIZING THE MAYOR TO ACT AS THE CITY'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City Council of the City of Overton desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

WHEREAS, certain conditions exist which represent a threat to the public health and safety; and

WHEREAS, it is necessary and in the best interests of the City of Overton to apply for funding under the Texas Community Development Block Grant Program;

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

1. That a Texas Community Development Block Grant Program application for the Community Development Fund is hereby authorized to be filed on behalf of the City with the Texas Department of Agriculture.
2. That the City's application be placed in competition for funding under the Community Development Fund.
3. That the application be for \$275,000.00 of grant funds to provide administrative, engineering and street improvements, water line and sewer line replacement services.
4. That the City Council directs and designates the Mayor as the City's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City's participation in the Texas Community Development Block Grant Program.
5. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

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6. That it further be stated that the City of Overton is committing \$ 50,000.00 from the Overton Municipal Development District, as a cash contribution toward the Administration, Engineering and street improvements, water line and sewer line replacement services.

PASSED AND APPROVED by the City Council of the City of Overton, Texas this 12th day of January, 2017.



CITY OF OVERTON
C.R. Evans, Jr.
C. R. Evans, Jr., Mayor

ATTEST:

APPROVED AS TO FORM AND LEGALITY:

Rachel Gafford
Rachel Gafford, City Secretary

Blake Thompson
Blake Thompson, City Attorney

ATTACHMENT C ORDINANCE 2017-01-12B

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ORDINANCE NO. 2017-01-12B

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, AUTHORIZING A LOAN AGREEMENT WITH TEXAS BANK AND TRUST FOR THE PURPOSE OF REFUNDING THE REMAINING BALANCE OF PRINCIPAL AND ACCRUED INTEREST ON THE SERIES 2003 GENERAL OBLIGATION AND REFUNDING BONDS DATED JULY 15TH, 2003 AND AUTHORIZING THE MAYOR AND CITY MANAGER TO SIGN SAID AGREEMENT ON BEHALF OF THE CITY OF OVERTON.

WHEREAS, the City Council of the City of Overton desires to manage the City's finances in such a way that will ensure the availability of reserves for funding needed in emergencies and initiate a program of building a reserve position sufficient for funding such emergencies if they are needed in the future; and

WHEREAS, an opportunity exists to secure a loan to prepay debt service on existing bonded debt, namely a 2003 Series General Obligation and Refunding Bond that would reduce the obligation for such debt from \$176,070.00 to \$39,639.55 in the current fiscal year; and

WHEREAS, the reduction for this year and until the maturity of the loan is reached in Feb 2024 will allow for reduced water and sewer rates for the prison that complies with a Settlement Agreement with MTC which has been agreed to in concept, with the City recovering remaining debt obligation expenses from the prison for the life of the loan; and

WHEREAS, the interest rate for the loan is 1% lower than that for the existing Obligation;

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

THAT, the City Council authorizes the Mayor and City Manager to execute a Loan Agreement with Texas Bank and Trust as defined in Exhibit A, attached hereto and incorporated herein.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THIS 12TH DAY OF JANUARY, 2017.

PRESENTED AND APPROVED ON THIS THE 12th DAY OF JANUARY, 2017, AT A SPECIAL CALLED COUNCIL MEETING OF THE CITY OF OVERTON BY A VOTE OF 5 AYES, 0 NAYS, AND 0 ABSTENTIONS.



CITY OF OVERTON
C. R. Evans, Jr.
C. R. Evans, Jr., Mayor

ATTEST:

Rachel Gafford
Rachel Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Blake Thompson
Blake Thompson, City Attorney

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EXHIBIT A

Num.	Date	Principal	Interest	Balance
1	8/15/2017	\$ 29,758.33	\$ 9,881.22	\$ 460,341.67
2	2/15/2018	\$ 31,981.48	\$ 7,658.07	\$ 428,360.19
3	8/15/2018	\$ 32,629.70	\$ 7,009.85	\$ 395,730.49
4	2/15/2019	\$ 33,056.33	\$ 6,583.22	\$ 362,674.16
5	8/15/2019	\$ 33,704.61	\$ 5,934.94	\$ 328,969.55
6	2/15/2020	\$ 34,166.94	\$ 5,472.61	\$ 294,802.61
7	8/15/2020	\$ 34,788.63	\$ 4,850.92	\$ 260,013.98
8	2/15/2021	\$ 35,314.06	\$ 4,325.49	\$ 224,699.92
9	8/15/2021	\$ 35,962.47	\$ 3,677.08	\$ 188,737.45
10	2/15/2022	\$ 36,499.79	\$ 3,139.76	\$ 152,237.66
11	8/15/2022	\$ 37,148.27	\$ 2,491.28	\$ 115,089.39
12	2/15/2023	\$ 37,724.97	\$ 1,914.58	\$ 77,364.42
13	8/15/2023	\$ 38,373.53	\$ 1,266.02	\$ 38,990.89
14	2/15/2024	\$ 38,990.89	\$ 648.64	\$ 39,639.55
		\$ 490,100.00	\$ 64,853.68	

2003 GO Ref

2/15/2017 20	-	10,535.00	
8/15/2017 20	155,000.00	10,535.00	176,070.00
2/15/2018 20	-	7,202.50	
8/15/2018 20	160,000.00	7,202.50	10,535.00
2/15/2019 20	-	3,762.50	10,535.00
8/15/2019 20	175,000.00	3,762.50	165,535.00
	490,000.00	43,000.00	
		21,853.68	