

REGULAR CALLED CITY COUNCIL MEETING
April 20, 2017

MINUTES OF THE REGULAR CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS THAT WAS HELD **APRIL 20, 2017** AT 7:00 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, Pamela Raney, Finance Director, Wendy Bates, Accountant and Rachél Gafford, City Secretary representing staff;, Tom Trimble representing Oncor, Joe Zalman, Phillip Solly, Scott Cargil, Shirley Shaw, Vicki McClure and Velma Spangler representing the public.

I. CALL TO ORDER –Mayor Evans called the meeting to order at 7:00 p.m.

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

II. PROCLAMATION / RECOGNITION / APPOINTMENTS

1. Mayor Evans read and issued the following proclamation
 - a. 2017 Overton Community Spring Clean-Up Day.

III. CITIZEN FORUM

1. Shirley Shaw, 1201 Price Lane, requested that City Council direct staff and the Municipal Judge to make the property owner of the demolish the dilapidated vacant structure and fix the sewer issues at the property next door to her. Shaw also stated that she is now having issues with rodents and snakes on her property due to the nuisance next door. She also wanted City Council to fix the pot holes on her road.

Chief Carter stated that Code Enforcement Officer Bagley is still trying to determine who actually owns the property. Mr. Gomez (the presumed owner of the property) was in court last week over a lawsuit of who actually owns the property. It appears that the property deed was never legally filed to change ownership of the property and until the ownership issue is determined the City is unable to issue a citation for the violations.

IV. CITIZEN'S REQUEST

1. City Council to discuss, consider and take action on a request to the Overton City Council to grant a temporary waiver (not to exceed one year), to **RESOLUTION NO. 2014-10-07B** that prohibits the installation of a Manufactured Home or a

Coach (Recreational Vehicle) within the city limits of Overton located outside of a Manufactured Home Park and to allow the connection of City services to said residence.

Mayor Evans informed Council that the City had already allowed Ms. McClure to connect city services as the Water and Sewer Taps were already installed on the property. The RV was moved in right after the last Council meeting, as Ms. McClure had already purchased the RV and moved it onto the property being unaware that the City had passed an Ordinance not allowing RV to be lived in as a residence. However, after staff consulted with the City Attorney for guidance on how to proceed with this case, Ms. McClure was told that if the temporary waiver was not approved by City Council then the City would have to discontinue services.

Vicki McClure addressed City Council requesting that they approve the request to allow the temporary waiver to the Ordinance allowing her to put the RV on the vacant lot, located at 502 N. Rusk Street, and allowing the City to provide water and sewer services to the RV for her mother to live in so that she would be close enough to her home to take care of due to her medical issues.

Councilman Davis stated that although he was sympathetic to Ms. McClure's situation; for the amount of money that was paid for the RV an addition to the house could have been done. Davis stated that he would not want an RV moved into his neighborhood and set up as a residence temporarily or permanent. Davis then said he did not like the fact that the RV was moved in and set up with Water and Sewer services prior to coming before the Council for approval. Davis further stated that he wanted to go on record as disapproving of allowing the RV to be connected to City Services or to be allowed to stay on the property even as a temporary residence.

Mayor Evans then stated that if there were no further discussion or objections; he would skip to Agenda Item VII.1; so that City Council could discuss and take action on this request.

VII. NEW BUSINESS

1. City Council to discuss, consider and take action on **RESOLUTION NO. 2017-04-20B**, a Resolution of the City Council of the City of Overton, Texas approving a temporary waiver of section 8.02.1 of Ordinance No. 2014-11-07 that prohibits the locating of Mobile Homes in the city other than in lawfully designated and duly licensed Mobile Home Parks; and Section 2 (c) of Ordinance No. 2014-10-07B which does not allow the parking and use of a coach outside of a Mobile Home Park for more than 10 days; and authorizing the designated owner to connect the Mobile Home to City services for a period not to exceed one year.

Mayor Pro Tem Cox made a motion to approve Resolution No. 2017-04-20B as listed above for a term of one year to expire on April 19, 2018.

Councilman Clark seconded the motion.

Mayor Evans called for discussion, no further discussion.

Mayor Evans called for a vote.

Motion carried 4 – 1 – 0; Councilman Davis opposed.

Mayor Evans then moved back to Item V. Consent Agenda

V. CONSENT AGENDA

1. City Council to review, make possible corrections and approve minutes of a Regular Called Meeting of the City Council held on **March 16, 2017**.

Mayor Evans introduced the Consent Agenda and asked the Council if they had the chance to review the minutes.

Mayor Pro Tem Cox made a motion to approve the Consent Agenda as submitted.

Councilman Williams seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

VI. OLD BUSINESS

1. Present revised meeting schedule for the City Council as updated April 14, 2017.
 - a. Mayor to receive request, if any, for leave of absence from any Council Member from future meetings.

City Manager Cunningham presented the meeting calendar for May 2017.

Mayor Evans called for request for any excused absences for the May 18, 2017 Regular Council Meeting.

Councilman Posey requested an excused absence.

Mayor Pro Tem Cox made a motion to excuse John Posey from the May Regular Council Meeting.

Councilman Williams seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 4 – 0 – 1; Councilman Posey abstained.

2. City Council to hear, review, consider and/or take action on **RESOLUTION NO. 2017-04-20A**, a resolution authorizing an Agreement with Shaumburg, Polk Inc. to conduct a pressure plane study of the City's water distribution and storage system with approved funding by the OMDD.

Councilman Posey made a motion to approve Resolution No. 2017-04-20A as submitted.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 4 – 0 – 1; Councilman Davis abstained.

VII. NEW BUSINESS

2. City Council to discuss, consider and take action on **RESOLUTION NO. 2017-04-20C**, a Resolution of the City of Overton, Texas, to approve the continuance of a Management Agreement between the City of Overton and Overton Golf Course Association regarding the operation and maintenance of the golf course to be effective May 1, 2017 through September 30, 2022.

City Manager Cunningham presented the Resolution stating that at the time the agenda was posted, staff was unclear if TABC would accept the old agreement that was submitted for the alcohol permit. Since then, staff has been notified by the Golf Course Association the TABC License has been issued. Therefore, if Council is agreeable, I would recommend Council allow staff time to tighten up and reword some of the Agreement prior to proceeding with its presentation to Council for review and or action.

Mayor Pro Tem Cox a motion to TABLE Item VII.2, Resolution No. 2017-04-20C, until the next City Council agenda.

Councilman Davis seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 4 – 0 – 1; Councilman Clark abstained.

3. City Council to discuss, consider and take action on **ORDINANCE NO. 2017-04-20A**, An Ordinance denying the proposed change in rates of ONCOR Electric Delivery Company LLC, finding and determining that the meeting at which this Ordinance is passed is open to the public as required by law, and declaring an effective date of this Ordinance.

City Manager Cunningham gave a brief presentation on the Ordinance to City Council and then introduced Tom Trimble of Oncor.

Tom Trimble explained to Council that Oncor is in favor of cities denying the rate increase because it allows the rate case to go before the Public Utilities Commission (PUC) at which point the PUC will ultimately determine and set the rate for all of the cities who denied the rate increase.

Mayor Pro Tem Cox a motion to approve Ordinance No. 2017-04-20A 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.

4. City Council to hear, review and consider and take action on **RESOLUTION NO. 2017-04-20D**; a Resolution of the City of Overton, Texas, denying the application of the Southwestern Electric Power Company (“SWEPCO”) for authority to change rates submitted on or about December 16, 2016; requiring the reimbursement of municipal rate case expenses; 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 Cunningham presented the Resolution stating that this is the same as the Oncor Ordinance to deny the rate increase.

Councilman Posey a motion to approve Resolution No. 2017-04-20A as submitted.

Councilman Davis seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

5. City Council to hear, review and consider and take action on **RESOLUTION NO. 2017-04-20E**; a Resolution of the City of Overton, Texas, requesting a suspension of an interim rate increase (IRA) by CenterPoint Energy for a period of 45 days from May 29, 2017.

City Manager Cunningham presented the Resolution stating that this is the same as the Oncor Ordinance to deny the rate increase.

Councilman Davis a motion to approve Resolution No. 2017-04-20A as submitted.

Councilman Posey seconded the motion.

Mayor Evans called for discussion. No discussion.

Mayor Evans called for a vote.

Motion carried 5 – 0 – 0.

VIII. CITY ADMINISTRATION’S MONTHLY REPORTS

Mayor Evans introduced the following departmental reports for review and discussion by Council.

1. Fire Department Monthly Report
2. Police Department Monthly

3. Department of Finance Monthly Report
4. City Secretary's Monthly Report

City Manager Cunningham presented City Manager monthly report.

5. City Manager's Monthly Report

No Action Taken

IX. ADJOURNMENT

Councilman Posey made a motion to adjourn.

Mayor Pro Tem Cox seconded the motion.

Mayor Evans called for a vote.

Motion carried 5- 0 - 0.

With no further business, the meeting was adjourned at **8:05 P. M.**

Minutes approved and submitted and/or corrected this 18th day of **May, 2017.**

CITY OF OVERTON


C. R. Evans, Jr., Mayor

Attested by:


Rachél Gafford, City Secretary



ATTACHEMENT A PROCLAMATION



PROCLAMATION "Overton Community Spring Clean Up Day 2017"

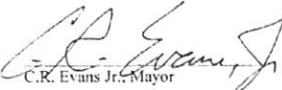
WHEREAS, the City of Overton is organizing a Community Spring Clean Up Day to ensure that the natural beauty of our community and a clean environment are a source of great pride for the citizens of Overton; and

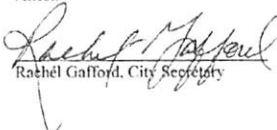
WHEREAS, the City Council of the City of Overton have determined it is important to promote environmental cleanliness within the community; and

WHEREAS, the Overton Community Spring Clean Up Day will take place on Saturday, May 20th, 2017 from 9 a.m. to 3:30 p.m. and the City of Overton encourages all professional and civic groups, churches, schools, families, businesses and individuals participate in this community wide event;

NOW, THEREFORE, LET IT BE PROCLAIMED by C. R. Evans Jr., Mayor of the City of Overton, Texas that Saturday, May 20, 2017 as "Overton Community Spring Clean Up Day" in Overton, Rusk/Smith County, Texas.

PASSED and ADOPTED this the 20th day of April, 2017.


C.R. Evans Jr., Mayor

Attest:

Rachel Gafford, City Secretary



ATTACHEMENT B
RESOLUTION NO. 2017-04-20B
502 N. Rusk St. – Temporary Waiver

City of Overton, TX
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RESOLUTION NO. 2017-04-20B
Approving a waiver of part of ORD 2014-10-07B

RESOLUTION NO. 2017-04-20B

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS APPROVING A TEMPORARY WAIVER OF SECTION 8.02.1 OF ORDINANCE NO. 2014-11-07 THAT PROHIBITS THE LOCATING OF MOBILE HOMES IN THE CITY OTHER THAN IN LAWFULLY DESIGNATED AND DULY LICENSED MOBILE HOME PARKS; AND SECTION 2 (C) OF ORDINANCE NO. 2014-10-07B WHICH DOES NOT ALLOW THE PARKING AND USE OF A COACH OUTSIDE OF A MOBILE HOME PARK FOR MORE THAN 10 DAYS; AND AUTHORIZING THE DESIGNATED OWNER TO CONNECT THE MOBILE HOME TO CITY SERVICES FOR A PERIOD NOT TO EXCEED ONE YEAR.

WHEREAS, as a result of an attempt to secure water and sewer services for a mobile home located at 502 N. Rusk St., the applicant was advised that services could not be provided to that location for a mobile home; and

WHEREAS, Section 8.02.1 of Ordinance No. 2014-11-07 does prohibit the locating of mobile homes / manufactured homes in the City other than in lawfully designated and duly licensed mobile home parks; and

WHEREAS, Section 2 (C) of Ordinance No. 2014-10-07B does not allow the parking and use of a coach outside of a manufactured home park for more than 10 days;

WHEREAS, the applicant pleading hardship based on the impairment of the person to occupy the mobile home / coach and the need for the owner to be able to care for the occupant in a responsible manner, has requested a temporary waiver of Section 8.02.1 of Ordinance No. 2014-10-07B to be allowed to locate the mobile home / coach at 502 N. Rusk St.; and

WHEREAS, the City Attorney has advised the City that a temporary waiver of said Ordinance would be allowable under certain conditions for a period of one year, with the possibility of renewal at the end of each year; and

WHEREAS the City Council does not desire to impose an undue hardship on the applicant in providing adequate living conditions for the individual in the applicant's care;

City of Overton, TX
Page 2 of 2

RESOLUTION NO. 2017-04-20B
Approving a waiver of part of ORD 2014-10-07B

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

SECTION 1: That the City Council approve and adopt RESOLUTION NO. 2017-04-20B that approves and adopts a temporary waiver under the conditions stipulated in the following Sections:

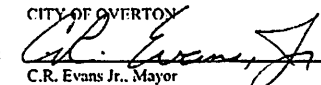
SECTION 2: That the applicant (Ms. Vickie McClure) provide a formal statement from the doctor of the condition of the person to occupy the mobile home at 502 N. Rusk Street, that demonstrates the need for their supervised care:

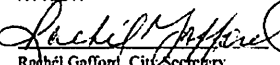
SECTION 3: That the applicant provide a petition signed by the surrounding neighbors that they have no objection to the mobile home being in its designated location:

SECTION 4: That the appearance of the mobile home may not suggest a state of permanence:

AND IT IS SO RESOLVED.

APPROVED AND ADOPTED by the City Council of the City of Overton, Texas on this 20th day of April, 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



ATTACHEMENT C
RESOLUTION NO. 2017-04-20A
Schaumburg, Polk Inc. Project Services Agreement #3

RESOLUTION NO: 2017-04-20A

RESOLUTION NO. 2017-04-20A, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, TO APPROVE A PROJECT ENGINEERING SERVICES AGREEMENT (PESA #3) BETWEEN CITY OF OVERTON (CITY) AND SCHAUMBURG POLK INC. (SPI) TO STUDY AND PREPARE A REPORT ON EXCESSIVE PRESSURES WITHIN THE WATER DISTRIBUTION SYSTEM WITH PROPOSED SOLUTIONS TO MITIGATE SAID PROBLEMS.

THE STATE OF TEXAS §
COUNTY OF RUSK §

WHEREAS, the Overton Municipal Development District met on March 9th, 2017 to consider a proposal (PESA #3) from Schaumburg Polk Inc. (SPI) to conduct a study to determine the causes and specify solutions for excessive pressures that are found in the water distribution system; and

WHEREAS, after consideration of the proposal, the Board approved funding of the project in the amount of \$24,000.00; and


WHEREAS, the City Council of the City of Overton has determined that it is the best interests of the City to identify the causes of excessive leaks and take the necessary steps to mitigate the consequences thereof.

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

The City Council of the City of Overton approves execution of PESA #3 which is Attached as EXHIBIT A and incorporated herein; and further authorizes the Mayor to execute said AGREEMENT on behalf of the CITY.

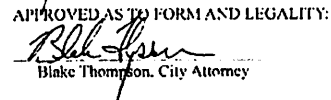
APPROVED AND RESOLVED BY THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS 20th DAY OF APRIL, 2017.

CITY OF OVERTON

By: 
C.R. Evans Jr., Mayor

ATTEST:

Rachel Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Blake Thompson, City Attorney



PROJECT ENGINEERING SERVICES AGREEMENT (PESA)
or "Work Order"

This is PESA
No. 3, consisting of
4 pages.

PESA

In accordance with terms of the existing Engineering Services Agreement Between Owner and Engineer, dated _____ ("Agreement"), Owner and Engineer agree as follows:

1. **Specific Project Data**
 - A. Title: Excessive Pressure Resolutions
 - B. Description: Study and Report to address perceived excessive pressures within the Water Distribution system
2. **Services of Engineer**
See attached 1-page "Specific Scope of Work" dated February 2017
3. **Owner's Responsibilities**
Owner shall have those responsibilities set forth in the original Engineering Services Agreement and those specifically listed on the attached Specific Scope of Work.
4. **Anticipated Times for Rendering Services**

<u>Phase</u>	<u>Completion Date</u>
PER - Excessive Pressures	5/1/17

PROJECT ENGINEERING SERVICES AGREEMENT (PESA)
or "Work Order"

5. **Payments to Engineer**

A. Owner shall pay Engineer for services rendered as follows:

Category of Services	Compensation Method	Lump Sum, or Estimate of Compensation for Services
Data Collection and Report	Lump Sum	\$ 24,000.00

B. The terms of payment are set forth in the Agreement.

6. **Consultants:** None

7. **Other Modifications to Agreement:** None

8. **Attachments:** 1-page "Specific Scope of Work" dated February 2017

9. **Documents Incorporated By Reference:** Engineering Services Agreement

PROJECT ENGINEERING SERVICES AGREEMENT (PESA)
or "Work Order"

Terms and Conditions: Execution of this PESA by Owner and Engineer shall make it subject to the terms and conditions of the Agreement (as modified above), which Agreement is incorporated by this reference. Engineer is authorized to begin performance upon its receipt of a copy of this PESA signed by Owner.

The Effective Date of this PESA is April 20, 2017

OWNER:

ENGINEER:

By: Clarence R. Evans, Jr.

By: Jeremy Buehler

Name: Clarence R. Evans, Jr.

Name: JEREMY BUEHLER

Title: Mayor

Title: PROJECT MANAGER

Engineer License or Firm's

Certificate No. F-00520

State of: TEXAS



**City of Overton
Water Pressure Study
Specific Scope of Work
February, 2017**

Items of work specified below shall be included as Exhibit A to the PESA between Owner and Engineer for Professional Services.

SPI will meet with the client to review the existing layout of the water production, storage, and distribution facilities. SPI will collect any available data including existing maps, construction plans, digital data, TCEQ records/violations, operator's comments, etc.

SPI will use this data to evaluate the locations, and possible cause(s) of perceived excessive pressures within the distribution system. We will then conduct field pressure tests to confirm the extent of the pressure issues.

Using this data, SPI will develop a partial Hydraulic Water Model of the water system using the industry standard KYPIPE modeling software package. This model will be limited to pressure sources and measured distribution points, in order to replicate and analyze the high pressure issues.

SPI will prepare a report outlining the probable causes of excessive pressures. The report shall include recommended measures to remedy the excessive pressures while still maintaining regulatory compliance in all parts of the system.

The report shall specifically include cost opinions for the recommended solution and any other options considered.

End of Specific Scope of Work

ATTACHEMENT D
ORDINANCE NO. 2017-04-20A
DENIAL OF RATE INCREASE – ONCOR

City of Overton

ORDINANCE NO. 2017-04-20A

ORDINANCE NO. 2017-04-20A

AN ORDINANCE DENYING THE PROPOSED CHANGE IN RATES OF ONCOR ELECTRIC DELIVERY COMPANY LLC, FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW, AND DECLARING AN EFFECTIVE DATE OF THIS ORDINANCE.

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

SECTION 1. That the proposed change in rates filed with the Governing Body of this municipality by Oncor Electric Delivery Company LLC on March 17, 2017, are hereby denied and disapproved, and Oncor Electric Delivery Company LLC shall continue to provide electric delivery service within this municipality in accordance with its rate schedules and service regulations in effect within this municipality on March 17, 2017.

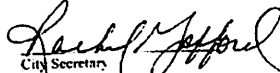
SECTION 2. That it is hereby officially found and determined that the meeting at which this Ordinance is passed is open to the public and as required by law, and public notice of the time, place and purpose of said meeting was given as required.

SECTION 3. This Ordinance shall be effective on the date of the passage and approval hereof

PASSED AND APPROVED at a regular meeting of the City Council of Overton, Texas, on this the 20th day of APRIL, 2017


Mayer
CITY OF OVERTON, TEXAS

ATTEST:


City Secretary
STATE OF TEXAS §
COUNTY OF SMITH §
CITY OF OVERTON §

APPROVED AS TO FORM AND LEGALITY:


Blake Thompson, City Attorney

ATTACHEMENT E
RESOLUTION NO. 2017-04-20D
DENIAL OF RATE INCREASE - SWEPCO

City of Overton, TX
Page 1

Resolution No. 2017-04-20D

RESOLUTION NO. 2017-04-20D

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS, ("CITY") DENYING THE APPLICATION OF THE SOUTHWESTERN ELECTRIC POWER COMPANY ("SWEPCO") FOR AUTHORITY TO CHANGE RATES SUBMITTED ON OR ABOUT DECEMBER 16, 2016; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; 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, Southwestern Electric Power Company ("SWEPCO" or the "Company") filed a Statement of Intent with the City on or about December 16, 2016 to increase its base revenues; and

WHEREAS, SWEPCO proposes to implement its proposed increase in rates on or about January 20, 2017; and

WHEREAS, SWEPCO's proposed increase in rates would result in a net increase to its base revenues of approximately \$69 million, which equates to a net increase of approximately 24% in base revenue; and

WHEREAS, SWEPCO asserts that the need for its increase in rates is driven primarily to recover its costs of complying with federal environmental regulations; and

WHEREAS, an evaluation of SWEPCO's costs of complying with federal environmental regulations, among other issues, presents a complex series of regulatory issues; and

WHEREAS, for a Residential customer using 1,000 kWh per month, if SWEPCO's proposed increase is approved, the bill impact to that Residential customer would be an increase of approximately 34% in the customer's bill; and

WHEREAS, the Company seeks a Return on Equity (ROE) of 10.00%; and

WHEREAS, SWEPCO failed to establish that its overall revenue request resulted in no more than an amount that will permit SWEPCO a reasonable opportunity to earn a reasonable return on the utility's invested capital used and useful in providing service to the public in excess of the utility's reasonable and necessary operating expenses; and

WHEREAS, SWEPCO failed to establish that its proposed rates were just and reasonable; and

WHEREAS, by ORDINANCE NO. 2017-01-12A the City has previously: (1) suspended SWEPCO's proposed rate increase by 90 days; (2) authorized intervention in proceedings related to SWEPCO's proposed rate increase as a member of the coalition of cities known as the Cities Advocating Reasonable Deregulation ("CARD"); (3) directed SWEPCO to reimburse CARD's

City of Overton, TX
Page 3

Resolution No. 2017-04-20D

rate case expenses; and (4) retained the law firm of Herrera & Boyle, PLLC with respect to rate proceedings involving SWEPCO before the Public Utility Commission of Texas and courts of law and to retain consultants to review SWEPCO's rate application subject to CARD's approval.

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

SECTION 1: That the findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

SECTION 2: That SWEPCO failed to show that its proposed rates are just and reasonable.

SECTION 3: That the City hereby DENIES SWEPCO's request to increase rates and in support thereof finds that:

- a) The Statement of Intent fails to provide sufficient information to justify the requested increase in revenue or to justify the changes set forth in the attached tariffs;
- b) The Statement of Intent fails to provide sufficient information to justify the adoption of the rate base, expenses, investment, return on equity, and other rate issues.

SECTION 4: That the City hereby orders SWEPCO to reimburse the City's rate case expenses as provided in the Public Utility Regulatory Act and that SWEPCO shall continue to 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 involving SWEPCO before the City, the Public Utility Commission of Texas, or any court of law.

SECTION 5: That a copy of this resolution shall be sent to SWEPCO's local representative; and to Mr. Alfred R. Herrera, Herrera & Boyle, PLLC, 816 Congress Ave., Suite 1250, Austin, Texas 78701.

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

SECTION 7: That this resolution shall become effective from and after its passage.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Overton, Texas this the 20th day of APRIL, 2017.



CITY OF OVERTON

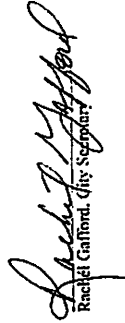
C.R. Evans, Jr.
C.R. Evans, Jr., Mayor

City of Cherokee, TN
Page 4

Resolution No. 2017-045-2017

ATTEST:

APPROVED AS TO FORM AND LEGALITY


Rachel Gafford, City Secretary


Blake Thompson, City Attorney

**ATTACHEMENT
RESOLUTION NO. 2017-04-20F
DENIAL OF RATE INCREASE – CenterPoint Energy**

City of Overton, TX
Page 1

Resolution No. 2-17-14-20F

RESOLUTION NO. 2016-04-21E

**A RESOLUTION OF THE OVERTON CITY COUNCIL
REQUESTING A SUSPENSION OF AN INTERIM RATE
INCREASE (IRA) BY CENTERPOINT ENERGY FOR A
PERIOD OF 45 DAYS FROM MAY 29, 2017.**

WHEREAS, CenterPoint Energy intends to impose its 2017 interim rate adjustment for the Company's Beaumont/East Texas Division on May 29, 2017 to establish the annual gas infrastructure reliability program (GIRIP) for this region; and

WHEREAS, applicable law allows the proposed IRA to become effective on May 29, 2017, unless the City suspends that date for a period no longer than (45) days; and

WHEREAS, the City is aware of CenterPoint's right to impose such a fee with the approval of the Public Utility Commission; and

WHEREAS, the City wishes to exercise its right to delay the imposition of the fee for the maximum allowable time of forty-five (45) days;

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

The City formally exercises its right, pursuant to applicable law to demand a suspension of the IRA by CenterPoint Beaumont/East Texas Division for a period of forty-five (45) days.

INTRODUCED, READ AND APPROVED FOR ADOPTION AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF OVERTON, TEXAS ON THIS THE 20th DAY OF APRIL, 2017.



ATTEST:

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

Rachel Gafford
Rachel Gafford, City Secretary

APPROVED AS TO FORM AND LEGALITY

Blake Thompson
Blake Thompson, City Attorney